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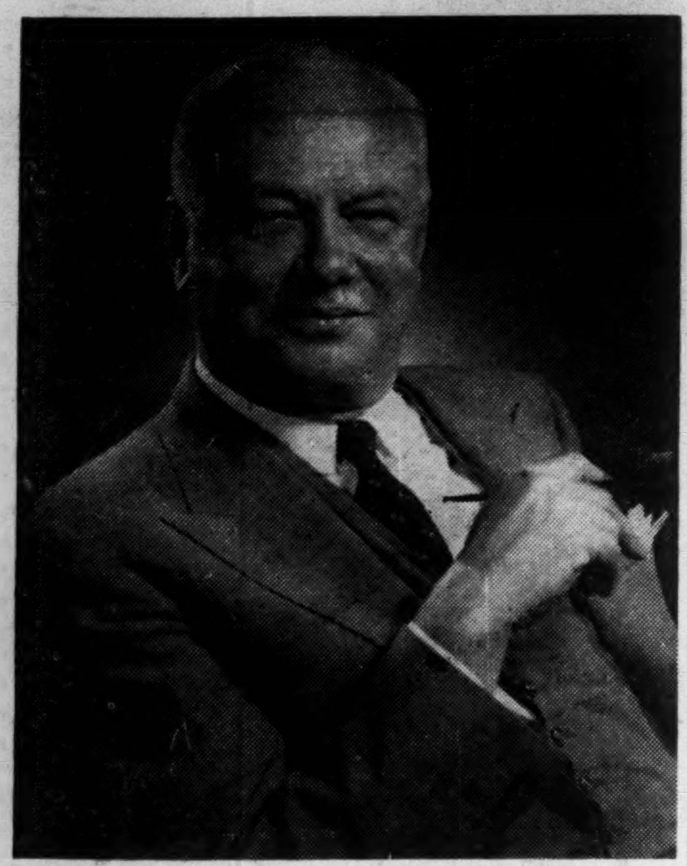
Leads the Chambers



René Brunay Perrault, Montreal auto dealer, takes over this week as new president of the Canadian Chamber of Commerce, parent body of some 700 Boards of Trade and Chambers of Commerce. from Newfoundland to British Columbia, they have individual membership of 100,000, including 75,000 Senior members and 25,000 members of Junior Boards. (Personality sketch on p. 6.)

THE NATION'S BUSINESS

This Is No Place For Haste and Emotion

The Ottawa offices of several cabinet ministers have been crowded this past fortnight with deputations anxious to present their views regarding the proposed legislation on resale price maintenance.

But to deal wisely with this important and highly complicated matter the government would be well advised first to turn the job over to a special non-partisan House committee which would bring all the arguments, pro and con, out into the open and give them a thorough examination.

The way Parliament operates it is easy for enthusiasts for some idea to draft legislation and get it raced through the House without any adequate appraisal.

Put this resale price maintenance issue before a committee where it will be well examined, where its effect on the economy as a whole will be measured.

Certainly, this is no matter for hasty, emotional action. Certainly, the Government is in for big disillusionment if it thinks "doing something" about resale price maintenance is going to have any significant effect on the cost-of-living index.

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The British Election

As The Financial Post's London columnist Adelphi says (page 7). "It might yet prove true that it was better not to have a very broad swing just now. (in the popular vote) for the simple reason that the further the pendulum swings one way, the further it will travel on its return journey."

If anyone can take comfort out of that comment on the British election, let him do so. It isn't very much.

For the British Socialist job-holders who found office sweet—the British election result was unhappy. But the Socialists who look farther ahead are privately rejoicing.

Their reason: Britons are in for another painful domestic economic crisis, regardless of what party is in power. There are foreign crises, gravely affecting Britain's interests, which may not be manageable even by people of capacity, experience and courage.

So popularity at home and triumphs abroad are unlikely for the Churchill government. For Socialists, the next while is a pleasant time to be out of office.

The weakness of Churchill's position is serious for more than Britons. As one Ottawa man put it: "This seems to kill any chance of getting a really solid attack on the U. K's basic problems. In 1947 and 1949 Britain tinkered with them. In this new crisis Britain isn't likely to get through so easily unless she tackles fundamentals and accepts the fact she is living beyond her means."

Doing what is necessary is going to be painful. Organized labor has shown it would sabotage real recovery measures even when advocated by an Attlee government.

Yet, Britain in woe causes woe in many other places.

While there is undoubtedly a great reservoir of goodwill for Churchill personally in the United States, there is growing boredom with Britain there and wide scepticism as to what he can achieve. This quotation from a Washington publication is indicative: "It's a safe bet that Churchill soon will be in Washington looking for ways to get more subsidies for Britain out of the U. S. taxpayer. If not very successful, the Churchill government will be in political trouble."

But if there are grim aspects of the British election outcome, there are also other ones.

The stature and experience of the Churchill group liven hopes for improvement in the international scene — certainly the world's problem of greatest magnitude and menace.

And for all men of tolerance and goodwill it is gratifying to see Britain again under the rule of a government not committed to class warfare and vindictiveness. The Churchill government will not be referring to its political opponents as vermin nor legislating against them. It will be acting in the interests of all Britons. Its policy will not be doctrinaire utopianism, but to give Britain recovery, peace, and greatness again.

Churchill can at least claim the dignity that once before won public support, not because he promised handouts, but because he promised his people sacrifice.

• • •

You're Right, Mr. Abbott

The Federal Government is to be commended for sticking to its guns — and its promise — to charge openly for its new old age pensions. It would have been easy, especially for an administration criticized for having a surplus to have sought favor with the thoughtless by giving the pensions and pretending they cost nothing.

As Mr. Abbott said: "The establishment of a special fund isolates clearly and definitely the cost to the country of providing old age security, and with the supporting taxes levied in the statute under which the pensions are paid, it becomes abundantly clear to everybody that the government has no income of its own but can only pay out with one hand such money as it takes in with the other hand by taxation. It is made very obvious that the contributory principle is being followed."

As the Finance Minister previously said "There is no magic in government finance. A dollar paid out to one person must first of all be taken away from another. Unfortunately the logic of this simple proposition has never been successfully refuted," but we might add, it is frequently forgotten.

Who Holds Oil Rights On This Prairie Land?

Hundreds of Thousands of Acres Involved in Deal by Northern Canada Mines to Take Over Mineral Rights of Mackenzie-Mann Estates

A major oil-land deal—which may hold surprises for many people in Western Canada—was shaping up at midweek.

The deal involves Northern Canada Mines on the one hand and the estates of Sir William Mackenzie and Sir Donald D. Mann on the other.

The background is this:

Railway-owners and builders Mackenzie & Mann received large blocks of land in Alberta and Saskatchewan when they were putting through many railways including the Canadian Northern Railway around 1910-1914.

They sold these lands to homesteaders, businessmen.

But—and this is one of the big questions — how extensive were the mineral rights which weren't sold with the surface rights? That question apparently must still be settled.

On the line they built from Calgary to Edmonton, they turned over extensive mineral rights to the Nanton interests of Winnipeg. These rights are held today by Calgary & Edmonton Corp.

Under the deal now nearing completion, Northern Canada Mines, The Financial Post understands, will take over unspecified rights remaining in the Mackenzie-Mann sphere. It's understood Northern Canada will form a new company, retaining a 50% interest in this company. New financing of Northern Canada is proposed in connection with the deal, and sale of 400,000 shares at $1.25 a share is anticipated.

The full acreage which may come under the deal is not yet known. One report mentions 500,000 acres. Another says the acreage will rate in size only behind that now held in the West by C.P.R., Hudson's Bay Co. and Calgary & Edmonton Corp.

It is understood some of the Mackenzie & Mann mineral rights are already under development by some of the major oil companies.

While no announcement has been made by Northern Canada on policy if, as and when the deal is completed, it is understood that agreements would likely be made with the firms concerned whereby development could be continued on a mutually advantageous basis.

President of Northern Canada is Victor H. Emery, Dr. N. S. Beaton, managing director and consulting geologist. Secretary-treasurer is H. S. Cassidy, who is understood to have handled a large part of current negotiations. Other directors are: Hon. Arthur Meighan, H. C. McCloskey, W. S. Walton, D. C. Matthews.

Ottawa Fights House Probe Resale Price Maintenance

OTTAWA (Staff)—The government is resisting suggestions that a Commons committee probe the whys and wherefores of a curb on resale price maintenance.

Important representations have been made in recent days urging an airing of this whole matter before a committee of the House.

But the government is contending that to open this matter now would reflect on the study made by the MacQuarrie Commission.

In any event, there has been no approval yet by the Cabinet of the proposed legislation. The Government earlier approved the principle of a retail price maintenance curb but there has been considerable delay in drafting the legislation itself.

This week The Post was told: "The law is not yet in final form. We have been hearing representations from interested groups. We still have an open mind."

This is quite misleading. There may be still doubt as to the exact form of the legislation and the extent to which it can or should go in curbing RPM. But on the general principle that something should be done, there is apparently no backsliding from the throne speech or the MacQuarrie interim report.

The enthusiasts say the real issue is "whether or not there is to be a free economy in the country."

It's contended that if the government is to eschew formal price control, then it cannot possibly justify "leaving large segments of the economy in the hands of private price controls which are irresponsible to the public."

Another main argument is that it would be inconsistent to attempt enforcement of present Combines legislation against "horizontal" combinations, if at the same time individual manufacturers were to be free to carry on their own "vertical" combination via resale price maintenance agreements.

The "real principle" it's contended is "whether we are going to take steps to remove something which is a grave danger to the working of a free competitive economy. We can't talk freedom and practice monopoly."

Against these general arguments, business groups such as the manufacturers who have been making representations here, contend that there is no violent rush to get this new policing job done; that it would be hoodwinking the public to represent this legislation as something which is likely to have an important effect on prices. (Mr. St. Laurent has himself indicated doubt as to whether the effect on living cost would be "very substantial.")

Curbing of resale price maintenance, it's contended, is something "brand new." Even the MacQuarrie Commission admitted its inability to provide an answer to the parallel problem of "loss leaders."

Chamber, Coast to Coast, Looks at Seaway Project

By PAUL DEACON

QUEBEC (Staff)—More effective co-ordination of the Canada-U. S. defense effort—how to combat the rising cost of living—to build or not to build the St. Lawrence Seaway.

These are just some of the many national problems being discussed at length and with vigor, both at the general sessions and in private, at the annual meeting here this week of the Canadian Chamber of Commerce. Participating in the discussions were delegates from the more than 700 member Chambers of Commerce and Boards of Trade across Canada.

On the seaway question there was fairly general support for the Decision of the Canadian Government to go ahead with the project on its own. There was some opinion, particularly among West Coast representatives, that there should be more facts available and a more detailed study made of the costs and other factors involved before the Chamber went on record as favoring the seaway.

This group also felt strongly that all ships using the seaway should pay a toll. If only U. S. vessels were charged, they argued, it would mean that some parts of Canada would have to pay for something which would increase the already strong competition from Central Canada.

At the session on the cost of living, Economist Douglas Gibson of the Bank of Nova Scotia stressed that although current anti-inflation measures are beginning to have a significant effect, there are still powerful inflationary influences in the background. Defense spending is on the increase, labor income has risen, stocks of goods on hand are declining, and there is still a shortage of many basic commodities in the world in relation to prospective demands for civilian and military use.

In the speeches the delegates heard and the discussions they held, the growth of Canada and the problems that go with growth were everywhere evident.

"Mr. Average Canadian," said retiring President Francis G. Winspear of Edmonton, "is the second wealthiest man in the world." In 10 years Canada has increased its national production from $7.5 billions to $18 billions; This year it may total $21 billions.

PRICES

Antifreeze (permanent type) has been hoisted 45c a gal. (to $5.95) by most service station outlets. One popular brand, selling at this level since last February, will maintain this price to end of year at least. What happens after the New Year will be anybody's guess, The Post was told. Recent price hike in several brands reflects a Nov. 1 10% jump in ethylene glycol, basic antifreeze ingredient. No price change is said imminent in alcohol-type antifreeze.

Galvanized sheets are up 15-20c per 100 lb. at the mills, reflecting recent rise in zinc prices. Supplies are said still tight.

Egg prices broke sharply this week as this season's heavy chicken population came into the laying stage. Grade A large were off 14c a doz., medium 10c and pullets 5c a doz.

Shortening prices to bakers were lowered 1c lb. this week.

Copper is likely to be raised in near future, say leading U. S. metal authorities. Ceiling price on electrolytic in U. S. is 24½c a lb. but world price has ranged as high as 50c a lb.

Ottawa Appoints Trade Official To New Orleans

OTTAWA (Staff)—The Department of Trade and Commerce will shortly break new ground by establishing a trade commissioner's post and trade commissioner in New Orleans. Trade Commissioner will be Gerald A. Newman, presently a director of the department's export division in Ottawa.

Decision to open up this territory for Canadian export stems from a department study earlier this year, which showed conclusively that Canada was missing import and export opportunities because it wasn't represented in this part of the United States.

It's hoped that further trade posts will be opened in the U. S. before long. This is recognition of the growing importance of this market for Canada in view of currency and control restrictions in other parts of the world.

Talk Financing Crude Oil Line To Vancouver

Financing for the construction of a pipeline to transport crude oil from Edmonton, Alta. to Vancouver, B.C. by Trans Mountain Pipe Line Co. is currently under discussion. The formal application for approval of the pipeline project is expected to be considered on Nov. 26 by the Board of Transport Commissioners in Ottawa.

Cost of the project is estimated at about $80 millions. While arrangements are not likely to be finalized prior to the Board's hearing and are not settled at this time it is expected that financing will be done by sale of $65 millions first mortgage bonds and $15 millions common stock. Of the bonds, $35 millions would be sold in the United States and bear a 3¾% coupon and $30 millions would be sold in Canada with a 4⅛% coupon.

The financing would be handled by a syndicate headed by Wood, Gundy & Co. and McLeod, Young, Weir & Co.

Canadian and U.S. oil companies are expected to subscribe for a large part of the common stock. Those interested and reported to be considering the proposition include Imperial Oil Ltd., Gulf Oil Corp., Socony-Vacuum Oil Co., Shell Oil Co. of Canada and Standard Oil Co. of California. In addition the Bechtel Corp., a large pipeline construction firm of San Francisco, Cal. and some smaller oil companies may take some common stock.

A small amount of common stock is expected to be offered publicly in Canada.

If approved the 700-odd mile pipeline will be constructed along the C.N.R. right of way through the Fraser River Canyon to Vancouver. It would be scheduled for completion late in 1953.

Currently a 24 inch pipeline designed to carry 200,000 barrels a day is being talked. This would indicate that the company expects to find a market for some crude oil in the Pacific North Western States, where no oil refining capacity exists at present.

Steel Shortage Still Ahead Despite U.S. Optimism Now

Telephones in Canadian branch offices of Bethlehem Steel Corp. began ringing earlier and oftener this week.

The callers were steel-hungry manufacturers or warehousemen.

All were after the same thing:

1. Some of the steel for which Bethlehem President E. G. Grace last week said demand has been declining since April in the United States.

2. Some elaboration of Grace's statement that a balance is fast approaching between supply and demand and that soon there will be over-production on cold-rolled sheets, not so long ago, one of the tightest tonnage items.

The callers got neither steel nor an elaboration on Grace's surprising statement.

Said one big warehouse operator: "I grabbed the phone and asked how much tonnage I could have. I didn't expect any. But I thought I might have got an explanation."

He and other hard-pressed Canadian steel users were looking for an explanation because the Grace statement far from coincided with the latest word in Canada.

As far as Canada is concerned, steel is as tight as ever. Mills are already booked solid through first quarter 1952. Both Defense Production Minister Howe and Steel Controller Ken Harris recently warned that 1951 might be the toughest year yet. There might be some easing in fourth quarter when additional capacity (Stelco's 650,000 ton expansion) is due. But the overall picture is grim.

This week, in a report to shareholders, H. G. Hilton, president of Stelco, said Canadian production in the first eight months established an all-time record but demand continued unabated for most products.

Bars, plates and sheets were particularly tight. The only decline encountered was in certain "light lines" caused by drop in demand for durables, Hilton said.

Yet the opinion of a top steel man like Grace could not be ignored. Grace is head of the second largest U.S. steel company.

If what he said is true, it could be important for Canada because of the million-odd tons of steel we import from the U.S. every year and which is getting harder and harder to get. Bethlehem supplies a good chunk of it.

Grace was not entirely alone either. John E. Timberlake, general sales manager, Jones and Laughlin Steel Corp. testifying before a Senate Small Business subcommittee, said demand for steel generally had been declining and that some products now require a real selling job.

Weeks before, another big steelman had gone so far as to say that the U.S. would soon have so much steel it would be running out of their ears. This was scoffed at.

However, the U.S. Controlled Materials Plan is expected to

(Continued on page 3, col. 3)

New Ontario, Quebec Deals With Ottawa if Frost Wins?

OTTAWA (Staff) — Return of Premier Frost to power in the Ontario election next month, would, it is thought here, prepare the way for new Federal-Provincial tax agreements with both Ontario and Quebec.

In Qubec this week, Premier Duplessis is quoted as telling a delegation representing the Quebec Union of Municipalities that it is time for action on the problem of redistributing revenue fields among federal, provincial and municipal governments. He noted that an atmosphere of understanding has prevailed at conferences between federal and provincial officials and that the time had now come to settle the problem of revenue distribution "as quickly as possible."

Premier Frost is known to have had various private discussions on this matter in recent months. Once he is returned to power and assuming Quebec would not then be in a too-isolated position, then it is felt the way towards an agreement would clear rapidly.

If such agreements were made, then a rapid review of existing agreements with the other eight provinces would likely materialize. All agreements expire on March 31, and unless something is done between now and the end of the year, the time for arranging new terms is getting short.

Big Fight Coming In Labor Ranks

Split in Canadian Congress of Labor, One Symptom of Troubles Here and in U. S. — John L. Lewis May Pull the Trigger

BY RONALD WILLIAMS

Just as one rumble of an upheaval developing in the innards of the whole United States-Canada labor movement is the bitter fight now going on within the Canadian Congress of Labor — where another explosion is coming soon.

In the broader struggle, John L. Lewis will probably play a leading role. His powerful, rich United Mine Workers founded the CIO although it doesn't belong to it anymore. But Lewis has his finger in a lot of union pies, one in particular—that could give the CIO acute indigestion.

While this development may first make the big headlines in the United States, much of organized labor in Canada will be affected because of the international character of the unions involved.

Meanwhile, the CCL continues to be split deeply over the Conroy-Millard issue.

This week's meeting in Ottawa of the Executive Committee of the CCL to deal with the Conroy-Millard situation, threw new light on the split:

(a) It's a lot deeper than many thought.

(b) It's already deeper than it was when Pat Conroy quit and threw the Vancouver convention into an uproar.

(c) It will get deeper still.

Its depth is indicated by the fact that not even Phillip Murray, president of the CIO, was able to change Pat Conroy's mind about quitting the top CCL job.

At the request of Charles Millard, Murray who's also president, International head of the big Steel Workers' union and thus Millard's boss, put a long-distance call in from his headquarters in Pittsburgh to Conroy in Ottawa.

Only in critical situations do U. S. union chiefs step into the Canadian picture.

Moreover, Murray was brought into the picture by the man who had more than anyone else to do with bringing about the situation that prompted Conroy to resign. (The Financial Post, Sept. 29)

The Post understands that no one was more surprised and dismayed than Charlie Millard when Conroy quit in the dying moments of the recent Vancouver convention, because it brought the whole business out into the open.

Since then, without backing up an inch on the main issues, Millard has tried everything to get Conroy to reconsider. Murray was his ace-in-the-hole.

Conroy said no to Murray as he had to every other appeal. With it went what many say was the last chance of healing the breach.

At least that was the feeling of some Executive Members this week after spending two days probing into the split.

They adjourned without reaching any decision on Conroy's resignation, although they did accept the resignation of Vice-president Alex McAusland who quit in sympathy with Conroy.

They will reconvene in two weeks. In between, another appeal will be made to Conroy. If his answer is still no, something will have to be done about a successor, although there's nothing in the CCL Constitution which gives the executive power to appoint anyone.

It's known that Harry Cappell of Winnipeg who has been acting secretary-treasurer doesn't want the job. His health isn't good. Moreover, he's an official of the Canadian Brotherhood of Railway Employees and leadership of the CCL is already loaded with CBRE people. President A. R. Mosher is CBRE's top man; Norman Dowd, CCL executive secretary, is a CBRE man; CBRE Vice-president

(Continued on page 3, col. 4)

Inside News

Future of Our Farms

How does the future look for agriculture? Have we reached the limit of farm expansion in Canada or is there a new era of farm prosperity ahead? A nationally-recognized specialist in agriculture answers these questions in a feature article leading off The Post's Report on Agriculture. Facts, Figures, Charts. The Outlook (pages 19-28).

Challenge to Churchill

What are the facts of the acute economic crisis Britain faces today? How well is Mr. Churchill's government equipped to take the bold measures needed to meet this crisis. Adelphi reports from London. The Post presents the roundup picture on economic situation (p. 7). (p. 7).

Statistician's Friend

Here's a new Post service to businessmen. A package feature of business trends, movements, statistics; timely now, valuable for future reference, comparison of business movements. Business Barometer, Business Log, Pace of Business (p. 15).

Switch in Bonds

MacNab does a switch on bonds, chalks up a new high in value of the account. Managed Investment (p. 5).

What's New

To keep up to date with the new, the useful and the novel items of equipment for business, industry and for the home, read What's New regularly (p. 18).

MacMillan, Bloedel Merger Completed

From Our Own Correspondent

VANCOUVER—Merger of H. R. MacMillan Export Co. and Bloedel Stewart and Welch Ltd. into the firm of MacMillan and Bloedel Ltd. was finalized this week.

A directors' meeting of the new company was advised that all shares of Bloedel Stewart and Welch had been exchanged for Class B shares of MacMillan and Bloedel Ltd.

Officers of the new company include Mr. MacMillan, chairman of the board, Mr. Van Dusen and Prentice Bloedel, vice-chairmen.

B. M. Hoffmeister, president, and Sidney Smith, Ralph M. Shaw, Bruce M. Farris, Harry Berryman, G. E. Scott, Clifford Crispin, R. S. Laird, A. A. Kennedy, R. D. MacFayden, all vice-presidents.

Churchill: Our Hopes, Fears

How Ottawa Sees Canada Affected By UK Vote

(For Adelphi's commentary, other aspects of the U.K. election result see page 7).

By KENNETH R. WILSON

OTTAWA (Staff) — Failure of The Churchill's Conservatives to gain a better working majority is looked upon here as thwarting any really solid attack on UK's critical economic problems.

You can sum up reaction here as follows:

"Britain tinkered in 1947 and 1949. This time she's not likely to get through so easily without tackling fundamentals and accepting the fact that she is living beyond her means.

"What chance has the present Conservative majority of facing this issue squarely, short of a new crisis?"

Reaction in so far as Canada is concerned is governed in considerable measure by three appointments: Chancellor of the Exchequer; President of the Board of Trade; Commonwealth Relations.

R. A. Butler as Chancellor is looked on as a first-class appointment. Lord Ismay as Commonwealth Relations minister is considered disappointing. "He's one of the old guard."

Little is known about youthful Peter Thornycroft who at 42 assumes heavy responsibilities as president of the Board of Trade. He's a lawyer, member of a distinguished shipbuilding family, attended Eton and Woolwich, and served in the Royal Artillery. Before Labor got into power he was Parliamentary Secretary to the Minister of War Transport.

Results Distressing

Generally speaking, the results are thought to be "distressing."

We had hoped here that the Conservatives would get a majority of 50 or 70 seats to clear the way for firm and courageous measures of the kind it is felt will be needed by UK in the next few months.

Now that the popular vote is shown to have been slightly in favor of Labor leaving the Conservatives with a tenuous majority in Commons, there is fear that a new and far-reaching crisis in the economic arena may be inevitable.

At the same time it is felt that the Conservatives will make some attempt to show a bold new British front to the world especially in strengthening and, if possible, extending Britain's overseas efforts.

But how long and how far they can do this without running into the hardening facts of economic life—in view of the fact that they are already considerably extended in Korea, Egypt, Malaya and Europe—looks like the big question mark.

In the sphere of international relations generally, there is some fear here that Mr. Churchill will attempt very soon to revive the intimate person-to-person diplomacy of the Churchill-Roosevelt era. Ottawa shares the general belief (which exists in Washington) that this sort of thing can be greatly overdone; usually raises more troubles than it solves.

As to the men Mr. Churchill has chosen for his senior cabinet colleagues, reaction is not unfavorable.

Average age is 59 (outside Churchill himself) and there is a heavy weighting of lawyers and the old school tie. But the Cabinet is compact with seemingly first-class men in several key posts.

That Mr. Churchill is presently sticking to the defense portfolio is not considered a good omen. The hope here is that this will be temporary, since there is little confidence that at his present age he can carry more than the office of Prime Minister.

There is approval that Mr. Eden has given up leadership of the House of Commons.

Nationalization

It is expected here that the Conservatives will be cautious so far as unscrambling nationalization and other major changes on the business front.

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Old Age Pension Plan To Boost Annuity Sale?

Will the Federal Government old age pension plan bring an increased demand for annuities?

In many quarters it is believed it will because the old age pension can be supplemented fairly easily to give an individual a reasonably comfortable income in their old age. It makes worth while a private annuity which formerly many would have thought not worth establishing.

Thus said one life insurance executive, "Suppose a married couple are looking forward to a joint old age pension between them of $80 a month at 70, if the husband has a retirement pension of $50 a month starting at 65 payable for life, he can supplement this by buying a "term" annuity for say $40 a month, payable from 65 to 70. This gives him $90 a month until age 70, when he becomes entitled to the old age pension of $40 a month, which with his original pension of $50 monthly gives him $90 a month for the rest of his life."

If his retirement pension of $50 a month is his only income between 65 and 70 he might be eligible for additional assistance allowed under the Old Age Assistance Act, of $10 a month to bring his income up to $720 a year. This of course would depend on his undergoing a test of need, Minister of Health and Welfare Martin said in Parliament. A married person could get $40 additional assistance under the Old Age Assistance Act.

But the incentive will be strong for the individual to provide further resources of his own for the period 65 to 70 and maybe beyond. Thus many people think the old age pension will give an impetus to purchase of annuities.

At present Federal Government annuities cannot be purchased on a "term" basis, that is payable for a stated term of years, say between age 65 and 70. To meet this the government plans to add "term annuities" to the class now available from the government annuity branch. It is also planned to increase the amount of annuity that can be purchased from the government from $1,200 as at present to $2,400. "Term annuities" can be bought from the life companies now and their contracts can be adjusted to permit payment in any reasonable way.

While the object of the increase is undoubtedly good, some objection is taken to it unless it can be done free of the "hidden subsidy" of the federal treasury absorbing the administrative costs as at present.

Meanwhile corporation executives and individual annuity holders are considering ways and means of integrating the old age pension and existing plans to the best advantage.

Barcelona Bondholders Comm. Arranges Bid For 6½% Bonds

Holders of the prior lien bonds of Barcelona Traction, Light & Power Co. may soon be able to sell their bonds for the full amount of their claim.

This is indicated by the announcement in London, England, this week by the Consolidated 6½% Prior Lien Bondholders Committee that it has been able to obtain from Helvetia Finance Co. an undertaking to make a public offer to purchase in sterling all outstanding prior lien bonds at a price equivalent to par plus all coupons matured since Dec. 1, 1936. The offer will be made as soon as necessary formalities have been completed.

In Toronto, National Trust Co., trustee for the bond issue, said that it is endeavoring to ascertain whether the sterling to be made available under the proposed purchase offer will be transferable in the case of bondholders who are not residents of the United Kingdom.

When Fenchurch Nominees (the predecessor company to Helvetia Finance Co.) was formulating its offer to the prior lien bondholders which it ultimately published in March 1947, National Trust Co. with the co-operation of Fenchurch Nominees Ltd. endeavored to obtain the consent of the British Treasury to make the sterling payable to such non-resident bondholders transferable. The Treasury refused its consent then.

Legal Provisions

The Bondholders Committee also announced that following publication of the Spanish Court's Order made on Aug. 27, 1951 giving preliminary sanction to the sale by auction in Spain of the assets of Barcelona Traction it asked the Sindicos of the Spanish bankruptcy for an assurance that, in the event of such sale taking place, provision would be made for the payment to the prior lien bondholders in sterling of the full amount of capital and arrears of interest due to them.

"The Committee has received a formal assurance from the Sindicos that they will take all steps possible in accordance with the revelant legal provisions not only so that the prior lien bondholders but also that the other bondholders of Barcelona Traction shall likewise receive the monies owing to them in the contractual currency," Committee states. "This assurance confirmed the legal advice which the Committee had received from the outset."

It is not possible to forecast when such a sale will take place, Committee notes.

Helvetia's Formation

As a result of having been instrumental in arranging for Helvetia Finance Co.'s offer and having procured the above formal assurance the Bondholders Committee considers that it has performed its function of protecting the interests of the prior lien bondholders, it states. As its term of office would expire in April 1952, it has, effective from the date of publication of the offer, dissolved and terminated its appointment under the powers conferred by the Bondholders' resolution of April 8, 1948.

This Committee, formed in April 1948, is the Committee referred to as the special general meeting of the shareholders of the Barcelona Traction in Toronto in December 1948. One of its members is Juan March, Jr. whose father, the company claims, caused the bankruptcy proceedings in Spain to be started.

In 1945-46, Juan March and members of his family were said to be accumulating sterling bonds, particularly prior lien bonds. Early in 1947, March, through an English company known as Fenchurch Nominees Ltd., a nominee company owned by the London bankers Messrs. Kleinworts, publicly offered to purchase all outstanding prior lien bonds of Barcelona Traction. Thereafter, Fenchurch incorporated a company called Helvetia Finance Co., of which they held all the £10,000 capital and to which they transferred their holding of Barcelona bonds. By September, 1947, Helvetia held some £1,900,000 of Barcelona's prior lien bonds (£2,684,900 outstanding Dec. 31, 1946).

1952 Shortage In Fertilizer Higher Prices

The supply outlook for superphosphate—biggest volume commercial fertilizer used in Eastern Canada—is far from bright in 1952. Canadian suppliers say they'll have enough for early spring orders but after that "anything could happen." At the same time price is likely to be hiked $1-$1.50 a ton.

Shortage will arise from a further worsening in sulphur supply, essential item in manufacture of sulphuric acid, in turn one of the basic ingredients in superphosphate. Washington's Defense Production Administration has just cut sulphur available for fertilizer production by 10%. This will affect Canadian suppliers two ways—in their heavy imports of superphosphate (152,429 tons last year) and in their imports of elemental sulphur. Even prior to this latest cut, sulphur supplies available to the industry had been on a downward trend.

Only thing that saved what might have proved a tight supply situation this year in Canada was a sharply reduced demand from the Maritimes where potato acreage had been sharply reduced. Demand for the highly concentrated fertilizer has been increasing each year and now it represents around 55% of total commercial fertilizers used in Eastern Canada. It is in particularly heavy demand in southwestern Ontario for such cash crops as tobacco, tomatoes, corn, peas, etc.

Threatened shortage, however, has not altered Canada Packers Ltd. plans to expand capacity of recently opened $500,000 fertilizer plant in Chatham. "Fertilizer demands have been growing so rapidly in that market area that we started planning expansion almost before the new plant came into operation," a company official told The Post.

Supply situation in most other fertilizers, with possible exception of ammonium sulphate, is fair to good. Phosphates have become plentiful again from European sources.

Chemical Chief Sees Big Need To Process More Before Export

"It seems to me that the United States in particular will become increasingly dependent upon Canadian resources. But if Canada is to depend mainly upon the export of primary materials, our economic unbalance with the U. S. will continue," Dr. J. R. Donald, Director, Chemicals and Explosives Division, Dept. of Defense Production, told the first meeting in Canada of the Commercial Chemical Development Association.

"Canada's problem, therefore, as far as chemical industry is concerned, is to enlarge the production of exportable chemicals basing manufacture upon our own natural resources," Mr. Donald stated. "The possibility of doing this, however, is dependent partly on equitable tariff treaties and partly on producing on a scale which will allow us to compete efficiently in world markets."

A petrochemical industry in Alberta has to face heavy customs tariff to reach U. S. markets to the south, but if natural gas which occurs near the border were moved one foot over the border and the petrochemical plant erected in the U. S. there would be no U. S. tariff to overcome. "To produce a ton of ammonia requires some 40,000 cu. ft. of gas at, say, $4 per ton of ammonia. The selling price of the ammonia is in the order of $100 per ton. Obviously the export of the ammonia rather than the gas is very greatly to Canada's advantage," Mr. Donald said.

Value of production of chemicals and allied products in Canada last year reached $636 millions, a four-fold increase in value of output between 1939 and 1950. This compares with a three-fold increase for output of industry as a whole. Chemical exports in 1950 exceeded $100 millions, led by fertilizers and synthetic resins.

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Reply giving fullest details of education and experience and salary required. Our employees have been informed.

BOX 227, THE FINANCIAL POST, TORONTO

ANNOUNCING

Important Appointments in Business and Government Canadian Industry, Finance.

Blue Top Brewing Co. (Kitchener)—Sherwood J. Ewald, assistant sales manager.

B. C. Bridge & Dredging Co. (Vancouver) — Joseph M. Cunningham, manager of operations.

Brandram-Henderson Ltd. (Montreal) — Directors: Norman Holland, president and managing director; John McClary Pritchard, chairman; Roger Belanger, vice-president; Fred C. Manning, James McGregor Stewart, Albert Thibeault, N. A. Dutton, Maurice Germain, Charles J. Dupuis.

Canadian Association of Real Estate Boards (Toronto)—Ernest J. Oliver, Ottawa, president; Fred S. Tochack, Winnipeg, vice-president; H. D. Hood, Toronto, executive vice-president; regional vice-presidents: F. N. Cabeldu, Victoria, B.C.; Jack Weber, Edmonton, Alta.; W. C. Mahon, Regina, Sask.; J. S. Stevenson, Winnipeg, Man.; Stewart Chambers, Hamilton, Ont.; George Paquet, Quebec, Que.; B. H. Steeves, Moncton, N.B.; Paul Longmire, Bridgetown, N.S.

Canadian Chemical Co. (Vancouver) — James A. Stenstrom, sales manager.

Canadian Industries Ltd. (Montreal)—J. F. Armitage, manager real estate department.

Community Planning Association of Canada (Ottawa) — W. Harold Clark, Toronto, president; Eric W. Thrift, Winnipeg, and Andre Duval, Quebec, vice-presidents; Robert T. Donald, K.C., Toronto, chairman of executives.

Hayes Mfg. Co. (Vancouver) — Ralph C. Keast, vice-president, engineering.

Life Insurance Advertisers Association (New York) — A. L. Cawthorn-Page, Ottawa, president.

Montreal Trust Co. (Montreal)—Severe Godin, director.

North Atlantic Defense Production Board—Brig. W. B. Wedd, chief of engineering division.

Ogilvie Flour Mills Co. (Montreal)—Hon. J. Arthur Mathewson, director.

Royal Bank of Canada (Montreal)—J. McG. Stewart, a vice-president.

Stuart Brothers Co. (Montreal)—L. W. King, president and general manager.

Vancouver Breweries Ltd. (Vancouver) — A. G. Williamson, brewmaster.

ADVERTISING

Account Appointments, Plans And News of Personnel in the Canadian Advertising World

Walsh Advertising (Toronto) directing concentrated Christmas campaign for Parker Pen Co., Toronto, to be launched full-page four-color in November issues of three national magazines, stepped up in December with ads in ten consumer magazines and four week-end publications. Theme is "Pen Name for the Perfect Gift" Promotion to trade through trade paper ads; point of sale material available to dealers.

* * *

F. H. Hayhurst (Toronto) directing live talent 15-minute weekly cowboy-old time radio program over CKY, Winnipeg, for Pioneer Feeds and three a week 15-minute cross-Canada telephone and mail contest "Help Your Neighbor" radio program for Purity Flour Mills Ltd., Toronto, parent firm of Pioneer Feeds.

* * *

Ronson Art Metal Works (Canada) Ltd. (Toronto) distributing to Canadian dealers full-color, three dimensional Christmas tree display as free point-of-sale promotion for Ronson lighters.

* * *

Cockfield, Brown & Co. (Toronto) appointed to direct Harriet Hubbard Ayer of Canada advertising formerly placed direct from U.S.; 1952 promotion for Ayer cosmetics being planned.

McConnell, Eastman & Co. (Toronto) directing campaign for new Libby, McNeill & Libby of Canada, Ltd. Evaporated Milk Contest; prizes 1952 Buick and two Pontiacs. Entry rules currently in dailies, streetcar card ads and radio spots, supported by point-of-sale promotion and grocery trade paper advertising.

* * *

Erwin, Wasey of Canada (Toronto) using unusual poster-style layout as basis for all advertising of Philips Industries Ltd. radios in fall campaign scheduled for major cross-country dailies; ads point up brand name with circle trade mark splash. TV ads scheduled for dailies in TV areas; number of consumer magazines listed for PhiliShave electric razor ads.

* * *

Spitzer & Mills (Toronto) reports big response to Colgate-Palmolive Monarch car contest; in each five consecutive two-week contests first prize is the car. Other prizes: cash bonuses for box tops, washing machines, electric ranges, sewing machines.

* * *

Spitzer & Mills (Toronto) conducting new series for Canadian Laco Lamps Co.; short copy with cartoon illustrations used in national magazines and cross-country dailies.

Await Montreal Judgment In Retail Drug Price Case

MONTREAL (Staff) — Hearings in the important resale price maintenance case of Charles Duquette and Jean Duquette vs. Charles E. Frosst & Co. were concluded last week. No indication was given as to when a decision would be handed down.

Counsel wound up their argument after two and a half days of hearings before Mr. Justice Elphege Marier in Superior Court. The petitioners are requesting an interlocutory injunction to force the Frosst company, among other things, to deliver certain goods ordered by Montreal Pharmacy but not delivered, and to cease the practice of setting resale prices.

Their counsel claims that the whole practice of resale price maintenance is illegal; also that Frosst, by distributing its catalogue to the trade, offered its goods for sale and that this offer was accepted and a binding contract created when Montreal Pharmacy placed its order.

Counsel for the respondent admits that Frosst have refused to sell to Montreal Pharmacy because the latter had been retailing Frosst products at prices below those set by Frosst. They say that Frosst has been fixing prices since 1917 and that this practice is perfectly legal. They also claim that a catalogue such as that distributed by Frosst is merely an invitation to do business and not an offer to sell.

At the hearings last week, Frosst's director of sales E. M. Yale stated that, in fixing retail prices "reasonable profit, competitive position of the product—all these must be taken into consideration."

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Advertiser having plans for high-class business, nation-wide in scope, would like to contact party having $5,000.00 to invest.

REPLY BOX 224, THE FINANCIAL POST, TORONTO

ASSISTANT MANAGER

Position open. Progressive manufacturer established over a quarter century in a small town of Province of Quebec.

Applicant must have experience in office management, metal stamping and sheet metal work. Must be bilingual.

Excellent opportunity for the right man to become general manager in a few years.

Write Box 220, The Financial Post, Toronto, giving full particulars, education, experience, etc.

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Single storey, concrete block building approximately 5000 sq. ft. of floor space on 2 acres of land just outside Chatham City Limits. Power, light, telephone, water, drainage and sanitary facilities installed. Excellent roads and immediately adjacent to Chesapeake & Ohio Railway. Immediate occupancy. Priced for quick sale at $10,000.00.

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Required as comptroller of a well established processing and distributing company with Toronto head office. This is an outstanding opportunity for a man, age 28 to 35 preferably, with better than average ability, personality and initiative. Previous industrial experience an asset but not essential. Attractive starting salary. Give full particulars of personal history and status, education, and business experience. Replies held in strict confidence.

BOX NO. 226, THE FINANCIAL POST, TORONTO

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Aggressive company with excellent background and connection wishes to add one or two kindred lines.

Would like to discuss Canadian representation for reliable manufacturers in Canada, United States and Britain.

Your reply will be treated in strict confidence.

BOX 211, THE FINANCIAL POST, TORONTO

Free Gold Sales, Cost Low Ottawa 'Formula' Suggests

No "middle man," acting as sales agent, is going to pad marketing costs for Canadian gold mines participating in premium gold sales in world markets.

Ottawa's regulations governing sale of gold in premium markets reflects the belief that the sale system should be simple, so that the maximum benefit will accrue to those mines making such sales.

Gold mines selling in the free market must deal directly with the buyer and there will be no expensive charges for middle men such as have tended to take the profitability out of free gold sales in South Africa.

Extra cost of gold preparation, handling and sale on a free gold market basis will probably run only about half a dollar, latest information indicates. With a free gold market of $39 U. S. or a little better, gold mines can probably get about $3.70 an ounce extra, Canadian funds, for their gold. But to get this premium, benefits of cost-aid must be relinquished.

Gold mines can elect to sell gold in premium markets for balance of the year and must forego only cost-aid for the remaining months after election is made to sell in the free market. Gold mines are also free to fill domestic industrial requirements for gold.

Under the regulations governing free gold marketing, here is what takes place.

1. Gold accepted by the mint for assaying, refining or storing will be released in the form of fine gold (0.995 fine or better) for any of three purposes:

—Delivery to a processor to be turned into a form not over 22 karat for export by the producer in accordance with a license issued under the Gold Export Act. This permits free market sale.

—Sale and delivery in granular form to a domestic processor, for industrial use in Canada, in an amount not in excess of 30 days' requirements of the processor. Price to be determined by "bargaining."

—Sale to the Mint, as in the past, at the official price in the week in which the sale is made.

(Mines shipping gold from Canada to be smelted and refined elsewhere than the mint, with gold sold at no more than the Ottawa mint price, may acquire an equivalent amount of gold at the Mint.)

2. When a gold mine proposes to export gold to the free market, a special application must be made, accompanied by copy of the offer to purchase by the buyer plus the original (or a photostatic copy) of the import license of the country of destination if such license is required. A copy of the company bylaw or resolution giving the gold mine decision to forego a grant under the Emergency Gold Mining Assistance Act must be provided.

All gold going to the Mint to be smelted, assayed or refined will pay the usual mint charges, usually 28c per ounce for this, irrespective of whether it will ultimately go to the free market or not. The charge for handling gold destined for the free market is 10 cents an ounce against the usual 20 cents an ounce charge for gold sold in the usual way to the Mint, thus the free marketers get a little "break" on marketing costs. However, storage charges have been set at a cent an ounce each 30 days gold is stored at the mint. The mines say this is more than is charged by the banks for similar service.

When an application is made for export, the gold mine must tell the government (a) the name and branch of the bank through which the export will be handled, (b) the buyer, (c) the processor who will put the gold in required form. The bank must also sign the form along with the gold mine wishing to export.

Close to half Canadian gold mines are understood to be receiving $3 an ounce or less in cost-aid this year and may consider the free market seriously, particularly if advance sale for an extended period can be secured. Early this week, however, the Financial Post had not learned of a single mine which as yet had completed a sale although a number of executives tell The Post they are actively investigating the situation.

Lake Shore Mines, the Noranda group and Broulan Reef, among others, have announced they will share in the free market if this can be done to advantage.

Costs per ounce and cost-aid in 1950 of Canadian gold mines is shown below.

	Cost per Ounce $	Assistance Payable per Ounce Produced $
Anglo Rouyn	43.24	3.46
Aunor Gold	26.16	0.23
Barnat Mines	39.71	2.45
Barnat Mines (Natl.)	44.14	9.57
Belleterre Quebec	30.35	0.89
Bonetal Gold	44.51	5.27
Bralorne Mines	29.49	1.24
Broulan Porcupine	23.53	nil
Buffalo Ankerite	36.86	1.97
Campbell Red Lake	30.99	2.03
Canadian Malartic	34.41	2.10
Cariboo Gold Quartz	40.00	3.12
Central Patricia	38.39	2.23
Chesterville Mines	*	4.16
Coniaurum Mines	36.09	2.36
Consolidated Beattie	*	9.49
Cons. Duquesne	*	9.34
Cariboo Metals	24.16	nil
Clear Creek Placers	29.73	1.50
Delnite Mines	28.95	1.15
Dome Mines	29.69	0.81
Donalda Mines	*	5.16
Discovery Yellowknife	43.24	9.12
East Malartic	38.83	4.10
Elder Mines	34.78	3.04
Giant Yellowknife	29.88	1.54
Hallnor Mines	21.77	nil
Hard Rock Gold	*	4.16
Hasaga Gold	49.95	8.27
Hollinger Cons. (Ross Mine)	41.15	4.83
Do. (Hollinger M.)	30.42	1.12
Do. (Young-Dav.)	26.44	0.37
Howe Sound	45.25	6.44
Island Mountain	36.60	1.93
Kelowna Exploration	29.33	1.10
Kerr-Addison	19.80	nil
Kirkland Lake Gold	36.44	1.90
Lake Shore Mines	27.17	0.40
Lamaque Mining	26.29	0.48
Leitch Gold Mines	29.37	0.80
Little Long Lac	37.21	3.18
Macassa Mines	30.50	1.18
MacLeod-Cockshutt	38.08	3.21
Madsen Red Lake	25.37	0.12
Magnet C. (Magenta)	*	4.74
Malartic Goldfields	32.05	2.69
Matachewan Cons.	40.41	2.56
McIntyre Porcupine	31.31	1.26
McKenzie Red Lake	31.85	1.68
Negus Mines	*	6.00
New Dickenson	49.62	9.12
New Jason Mines	*	6.34
Noland Mines	43.70	9.35
O'Brien Gold Mines	36.80	2.68
Ogama Rockland	*	4.16
Pamour Porcupine	35.00	3.16
Paymaster Cons.	40.71	3.33
Pickle Crow Gold	31.72	1.20
Pioneer Gold Mines	32.18	2.50
Polaris-Taku	*	7.70
Porcupine Reef	19.66	nil
Powell Rouyn	36.52	2.85
Preston East Dome	33.38	1.68
Quesabe Mines	*	7.41
Renabie Mines	33.00	2.27
Rycon Mines	22.51	nil
Senator-Rouyn	40.89	3.96
Sigma Mines (Que.)	27.91	0.75
Stadacona Mines (1944)	37.06	2.11
Starratt-Olsen Gold	35.03	3.10
Sullivan Cons.	30.79	1.73
Sylvanite Gold	30.21	1.00
Teck-Hughes	30.14	1.30
Toburn Gold	37.98	2.23
Upper Canada	32.34	1.69
Yukon Explorations	43.16	7.47
Yukon Gold Placers	*	4.16
Do. (Thistle Creek)	*	9.32

*$50 or more an ounce.

Look for It Here

November 3, 1951

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WILLIAM T. MATHERS, Montreal, whose appointment as sales and service representative has been announced by John W. McGiffin, vice-president and general manager, Kingsway Transports Limited.*

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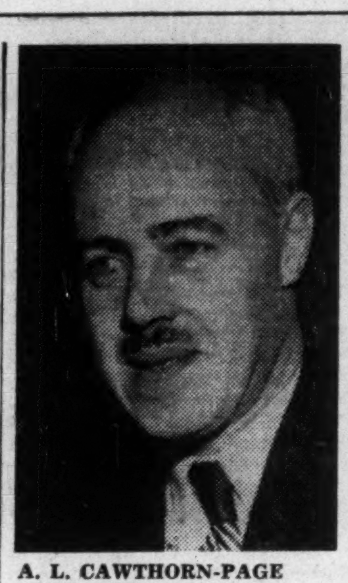

A. L. CAWTHORN-PAGE

manager of publications, Canadian head office, Metropolitan Life Insurance Co., has been elected president, Life Insurance Advertisers Association, representing over 200 Canadian and U. S. life insurance companies. He is first Canadian president since the association was formed in 1933.

Shortage Still Ahead In Steel

(Continued from page 1)

blow a lot of this inflation out of steel demand. The Post was told that perhaps CMP has already started to and this may be the reason for the Grace statement.

CMP became 100% effective Oct. 7. It may be, the Post was told, that the balance Grace is talking about is between present supply and demand okayed as essential by CMP. That demand is probably a lot different to pre-CMP demand.

For the Canadian trade and steel users, particularly those largely dependent upon U. S. supply, it all added up to uncertainty.

While the overall supply situation remains tight, there are some soft spots or "dislocations" here and in the U.S., caused by levelling demand in certain durable goods industries such as automobiles, refrigerators, washing machines, etc.

This "dislocation" is expected to become worse in 1952, mainly because of hefty cutbacks ordered in auto production. It's expected, U.S. output will be limited to about four million vehicles against about 5.3 this year; 6.6 last year. This is bound to be reflected in Canada because the U.S. supplies most of the body panels for Canadian-made cars.

But this isn't expected to change the overall picture very much. Mills are and will merely alter production schedules to meet changing market conditions. Defense programs in the U.S. and Canada won't hit their peak until sometime next year. However, because of the "lead" necessary for both materials and parts the steel take for defense is expected to be very high in the first quarter and reach a peak about midyear.

Big Battle Is Shaping Up In Labor Ranks

(Continued from page 1)

Jim McGuire is a CCL Executive Committee member.

This predominance of CBRE men is one of the factors in the split. CBRE is a national union, has no CIO connections. The CIO groups led by Millard want better representation. Appointment of another CBRE man would be a slap in the face.

Failure to get Conroy to reconsider is another reason the break is widening. People who blamed Millard at convention-time are even more bitter toward him today, despite his efforts to get Conroy back.

But there was another bundle of trouble on the Executive Committee's doorstep when it convened this week:

Hard feelings over the affiliation of the National Seamen's Association (which many unionists brand a company union) with District 50, United Mine Workers.

District 50 is Lewis' catch-all division. It will organize anything but specializes on the chemical industry. The National Seaman's Association, an independent outfit, has been on the receiving end in a running organizing battle with the tough AFL Seafarer's International. To get protection they sought and almost got affiliation with Mosher's CBRE.

The Post understands the deal was cut and dried. But at the last minute, Mosher backed out, afraid of what might be said if he took in an organization with NSA's reputation. A week or so later, NSA was in District 50.

That put them in the CCL as well. Their spokesman became Silby Barrett, a CCL vice-president.

This development has other implications too.

In the Millard-Conroy struggle, Barrett sided with Conroy. Barrett could expect to hear from Millard on this issue.

In addition, the animosity between John L. Lewis and Murray in the U. S. hasn't helped matters over here. Some of that enmity has slopped over in Canada.

No matter which side comes out on top, there's a feeling growing that the CCL is heading for a long rough road.

Imperial Oil Rights Offer

A new issue of about 2,700,000 registered shares of Imperial Oil Ltd. for pro rata offering to all shareholders at a discount below market value is being considered by directors. This indicates a rights offering of 1 share for ten.

Proceeds would be added to general funds and be available for further exploration and development work and additional refining, marketing and transportation facilities.

Ottawa Surplus For Year Now Seen at $500 Millions

By KENNETH R. WILSON

OTTAWA (Staff)—Underneath the government's new 2-2-2 pension tax formula lies the important revelation that a year end budgetry surplus of at least $500 millions is now anticipated.

The actual surplus for the first six months is $513 millions. Until now, Mr. Abbott has warned against anticipations that it would be maintained as defense spending rose.

Now, Mr. Abbott's own calculations of those revenues he expects to get next year from three major tax sources, (sales, personal income and corporation) when taken alongside known collection rates in other fields, suggest the Government could show as high as $600 millions for 1951-52.

The actual figure, after allowance for likely increased new spending like veterans allowances and possible increases in civil service pay is more likely to be about $500 millions.

Record Revenues

To achieve this big surplus, it now appears likely that government revenue would touch the record-breaking total of $4,100 millions. This would be $400 millions or 11% above estimates. It would exceed 1950-51 (which was the previous all-time high) by exactly $1 billion or 32%.

On the expenditure side, most spending items (except for National Defense) are running according to schedule. It is now likely that defense spending will drop about $200 millions below budget forecast.

As with Mr. Abbott's new figures of revenue forecasts for 1952, these calculations are based on expectation that present trends in tax collection will continue. There has been less buoyancy of late in customs revenue and in some commodity taxes. But other lines are maintaining or increasing early gains.

The new clue to soaring tax yields came last week in Mr. Abbott's speech on the Government's plans to make the $40-at-70 pension plan self-supporting.

He forecasts that a 2% sales tax next year would yield $145 millions. This would be an annual inflow of $725 millions for the present 10% tax. It compares with the budget estimate of revenue from the same 10% tax of $600 millions.

Similarly with the corporation tax.

Mr. Abbott budgeted that his present rate of 45.6% on profits above $10,000 would yield about $21.5 millions for each 1% of tax. He now reckons that in 1952, he will get $32.5 millions for each 1%.

A corresponding calculation for personal income tax is not so easy to arrive at. But Mr. Abbott now calculates that the 1952 taxable income of Canadian taxpayers will be about $4,750 millions—a very substantial gain over previous estimates.

Looking ahead to 1952, when Mr. Abbott has promised removal of the 20% surtax on both corporate and personal incomes and the striking of a new basic rate, it's clear that the Government will have additional tax leeway—over and above the anticipated $500 millions surplus.

This additional leeway arises in this manner:

The present out-of-pocket costs for means-test pensions to persons over 70 total $110 millions. This cost will disappear entirely next year because the new $40-at-70 scheme will be entirely self-supporting.

Against this "credit" of $110 millions, the only expense which the Government will incur and which will come out of consolidated revenue funds will be the $35 millions or $40 millions which is Ottawa's share of the new Federal-Provincial means-test 65-69 pensions.

Put another way, it had been anticipated that its plans to raise earmarked taxes, the Government would levy only enough taxes to meet the "net" additional costs of the new pension program. This additional cost, according to Mr. Abbott's own calculation is $250 millions.

Instead, the Government is planning earmarked taxes for the $40-at-70 pensions to produce an annual flow of $300 millions to $310 millions. Thus the 1951-52 pension burden (so far as the Government's ordinary accounts are concerned) should be $50 millions to $60 millions less than at present.

Added to the anticipated $500 millions surplus, this should be a further aid in making the absorption of the new pension taxes relatively "painless"; may well increase the hope that there may be still some tax relief in sight next spring when the basic rates are struck.

Wolf Banging at the Door Textile Row Members Say

Dozens of Canadian clothing firms are clinging to the solvent side of the ledger by narrowing threads. Unless something happens, and quickly, there could be a few shutters going up along Canada's textile rows. That's the view of many in the trade.

Some of the biggest struggles are going on in the cutting end of the trade. Many critical testing dates are coming due over the next month in the form of bank overdrafts.

Within a few months, a combination of slow business at retail level and sharply curtailed bank credit has squeezed company after company into a position where their only buying power is represented by inventory on their shelves. And in many cases this isn't moving fast enough to keep the wolf away.

Last year at this time everyone was sailing along on a sea of orders with enough bank credit to double stocks.

"Sure, we bought over our heads," a manufacturer of women's suits and coats, told The Post. "Ottawa authorities were warning of shortages and so were the cloth mills. Then when business started to ease a little this spring, the banks cut our loans drastically."

When this spring's business failed to materialize many firms were hard pressed to repay the banks and the cloth mills. Many mills have been forced to extend payment until fall. Now, fall business has been disappointingly low.

In many instances distress price signals were run up to meet loan deadlines. The large department stores have been quick to take advantage of these offerings and cut-rate sales have become the order of the day.

Mr. and Mrs. Purchaser have learned in a few short months this summer to watch for these opportunities. This in turn has heightened the competitive bid for business, making it that much more difficult for the other firms to operate, manufacturers claim.

So far there have only been one or two cases of voluntary liquidation. In the meantime, inventories are being worked down slowly to a more normal level but many companies are finding themselves unable to bid actively for spring business because of inability to buy necessary raw materials to fill orders.

The large, well-established firms are now bidding on sizeable military orders and are looking to this business to tide them over the difficult months ahead. But the hundreds of small textile operators have not the facilities to handle this kind of business and will have to nibble away at civilian trade to work back to normal positions.

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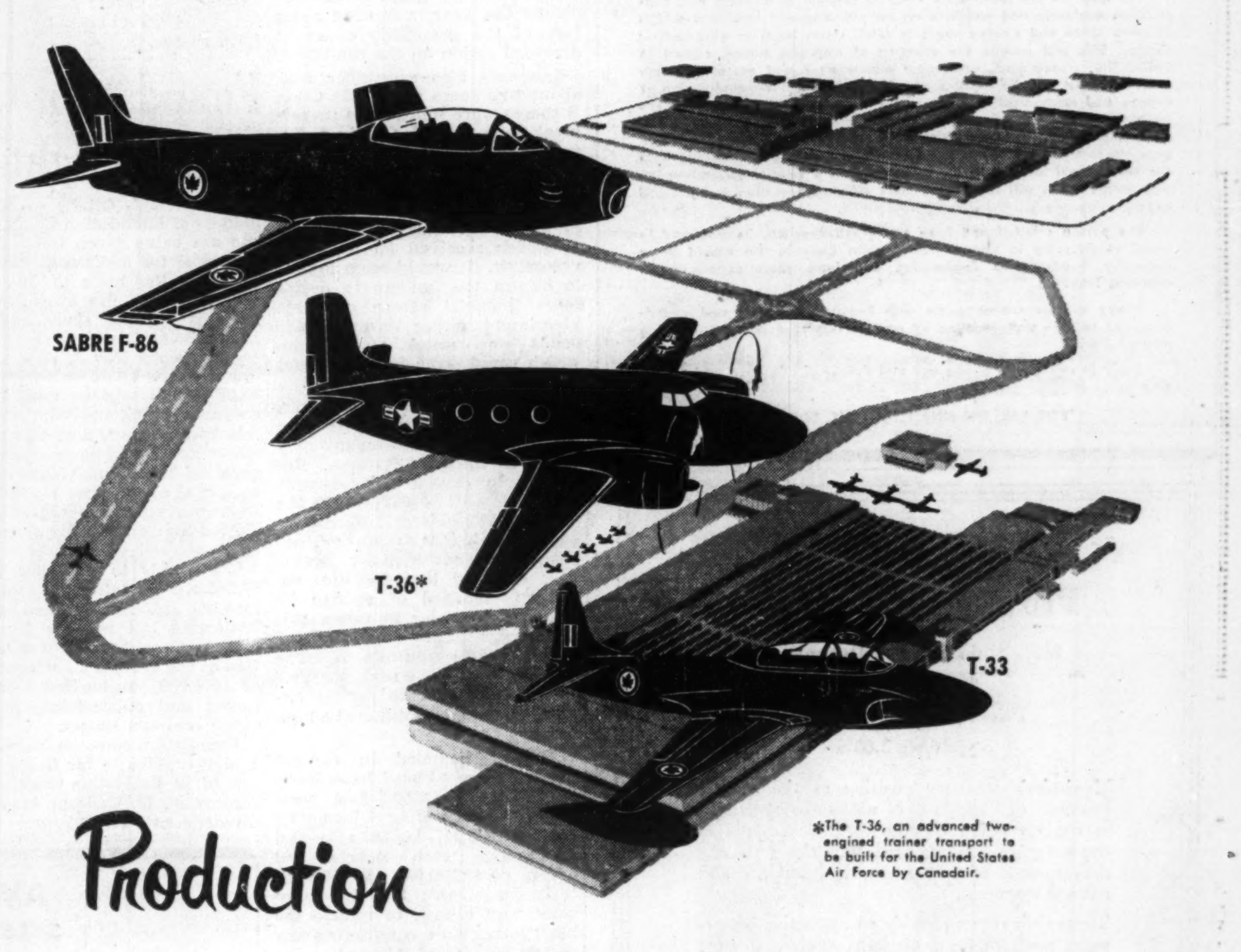

*The T-36, an advanced two-engined trainer transport to be built for the United States Air Force by Canadair.

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Canadair is one of the world's most modern aircraft factories . . . equipped with the finest of machinery . . . where more than 9,000 skilled aircraft workmen and first-class designers are employed. Canadair is fully equipped to design and produce all types of military or civil aircraft.

†Made under licence respectively from North American Aviation Inc., Lockheed Aircraft Corp., Beech Aircraft Corp.

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The rapid development of aviation in Canada over a short period of years is dramatically summarized in the story of Trans-Canada Air Lines. In just 14 years, TCA has expanded its routes from 122 miles to 177,000 and, as Canada's national air service, has made impressive air transport history.

Today, TCA ranks as one of the world's largest international air carriers, flying more than 100 scheduled flights each day over routes which span the globe. TCA's Canadair-built North Star aircraft have made next-door neighbours of Canadians from coast to coast, providing a twenty-hour air service across a 3,000 mile expanse.

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BOX 219, THE FINANCIAL POST, TORONTO.

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Here is an excellent opportunity for the right man to take over a key executive position with a large progressive merchandising organization with headquarters in Toronto.

The purpose of the position is to explore present methods of distribution and handling of merchandise from a scientific point of view aimed at reducing handling costs. The field will cover distribution plants, retail stores and transportation.

The man we are looking for must be capable of advising with construction engineers and architects on the planning and functional design of sales space and storage space in retail stores together with exterior design. This will include the selection of materials having regard to availability, appearance, economical maintenance and overall building costs. He must also be capable of advising on the functional design of fixtures and mechanical equipment. He will be expected to explore the possibilities of cost-reduction in such items as wrapping materials, garbage disposal, lightning, maintenance of floors, etc. Finally he will be expected to study procedures and methods of handling merchandise from the source right through to the consumer with a view to suggesting improvements which will result in a more efficient operation and reduced expense.

The person selected will have to be self-directing, be prepared to travel considerably in Central and Eastern Canada. He should be a University Graduate in Engineering and have some experience in materials handling.

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INVESTMENTS THIS WEEK

Scan Federal Grain Report Ask Dividend Possibility

There was considerable interest in financial circles in the annual report of Federal Grain Ltd. for the year ended July 31, 1951 which appeared late last week. It is the first report since the reorganization plan, approved by shareholders last November, came into effect.

In anticipation of a good report, investors bid Federal Grain Class A common up to record a new high of $17 a share on Oct. 9, on good trading volume. Despite recent general weakness in the stock markets and bad weather in Western Canada, the price of the stock held up well since. At midweek it was about $15½ a share.

From an earnings standpoint, investors were not disappointed. Net profit, before profit on disposal of fixed assets of $100,867, was $584,720—up 39.9% from the comparable net of $418,161 for previous year. Including the profit on disposal of fixed assets, the net was $685,586— up 27.8% from previous year's $536,553.

But any investors who were hoping for some clue as to possible dividend action on the Class A and Class B common stocks were disappointed. There was no mention of dividend policy for the common in the report. Nor was there any explanation given of a balance sheet item of $938,492 "Investment in Shares of Other Grain Companies."

Based on thenet of $685,586 and deducting one year's dividend requirements on the 150,000 new $1.40 preferred shares, the company earned $2.38 a share on the combined 160,000 Class A common shares and 40,000 Class B common shares. Excluding the profit on disposal of fixed assets, earnings were $1.88 a share on the combined shares. These earnings, plus the clearing up of preferred dividend arrears, plus the fact that working capital totaled $4,234,128 at July 31, 1951 despite the investment of $938,492 in shares of other grain companies during the year is causing some talk of the possibility of early dividend action on the common.

Investors also remember that about five years ago 20,229 Class B shares were sold to two investment firms—Wood, Gundy & Co. and Royal Securities Corp.—at $15 a share and that 8,453 Class B shares were purchased at $20 a share two years ago by Melady Sellers & Co. There has been no dividends received on these investments. It would seem logical to expect the holders to desire some financial return on their investment, either through dividends or capital appreciation which could come from dividend action, analysts argue.

On the other hand, however, there are certain indications in the report that the company may desire to conserve its cash. Referring to capital expenditures, which totaled $807,000 in the last year, President H. E. Sellers says: "While it is recognized that capital expenditures are heavy, it is essential that facilities for a high standard of service be provided in order to retain this (customers') good-will, and the company will continue to make every effort to give such service." This would indicate capital expenditures may continue at a high level.

Further included in current liabilities are secured bank loans of $7,825,688 ($880,130 a year before), outstanding cheques (net) $1,036,237 ($1,367,117) and outstanding cash tickets and orders of $3,730,938 ($2,450,970). It is conceivable that the company would wish to reduce the bank loan before considering any common dividend. This of course might be accomplished by a reduction in inventories which totaled $17,899,577 ($9,471,983).

President H. E. Sellers may comment on the dividend outlook at the annual meeting on Nov 9. Some comment on the $938,492 investment and its profit potentialities would also appear to be called for.

* * *

Annual Reports

Midland & Pacific Grain Corp. annual report for the year ended July 31, 1951 contains no comments from the officers or directors. In the year, the company capitalized its undistributed surplus, issued preferred stock and subsequently redeemed it and paid patronage dividends apparently for the first time. Surely the shareholders — the owners of the business—are entitled to some report from the management on the year's activities and the outlook.

* * *

Negotiations Continue Re National Sewer Pipe

Negotiations are still continuing between the Protective Committee for Holders of Class A Shares of National Sewer Pipe Co. and its president Ryland H. New, toward getting a settlement of the arrears of dividends on the Class A stock.

However, to date there has been no indication as to the success of the negotiations. They began after the calling off of the examination of Mr. New in connection with the action instituted in the Supreme Court of Ontario by the Committee to have the company wound up. Further legal proceedings were called off last June after a new proposal put forward on behalf of Mr. New offered a basis for new negotiations.

While, at the time, it was believed that the Protective Committee would not have called off further examination of Mr. New had not the new proposals offered a real chance at settlement, the long delay, with no announcement, is creating some doubt in financial circles as to the outcome. If no settlement is reached, it is presumed that the court action (The Financial Post, Jan. 27, 1951) will be resumed.

* * *

Two U. S. Investment Firms Buy CPR., Sell Abitibi

Two U. S. investment trust companies increased holdings in CPR common and eliminated their holdings of Abitibi Power & Paper common in the quarter ended Sept. 30, 1951.

In the quarter, net changes in securities of interest to Canadians included:

Adams Express Co. purchased 11,300 shares of CPR common to bring its holdings to 20,000 shares; purchased 50 common shares of Consolidated Mining & Smelting Co. of Canada to bring its holdings to 3,000 shares; sold its entire holding of 4,200 common shares of Abitibi Power & Paper Co. and sold 1,900 common shares of International Paper Co. to reduce its holdings to 6,100 shares.

American International Corp. purchased 7,400 common shares of CPR to bring its holdings to 13,000 shares; purchased 50 common shares of Consolidated Mining & Smelting Co. of Canada to bring its holdings to 2,000 shares; sold its entire holdings of 2,400 common shares of Abitibi Power & Paper Co. and reduced its holdings of International Paper Co. to 4,000 shares by selling 1,300 shares.

Grand & Toy Earnings $6.48 a Common Share

Grand & Toy Ltd. net profit of $149,542 for the year ended March 31, 1951, is equivalent to earnings of $6.48 a common share. In The Financial Post of Oct. 20, 1951, it was shown as $5.88 a share.

Foundation Co. Offers Rights

MONTREAL (Staff) — Shareholders of Foundation Co. of Canada are being given the right to subscribe for additional common stock on the basis of one new share for each five already held. Price is $10 per share and the rights, being issued to shareholders of record Nov 5, will expire unless exercised on or before Nov. 30. Proceeds will be used to increase working capital.

Subscription warrants for whole shares and bearer warrants covering fractional rights are to be issued about Nov. 15. No subscriptions will be accepted from United States residents, it is stated.

The rights to purchase cover 67,680 of Foundation Co.'s authorized but unissued common shares. Following last spring's four-for-one stock split, stock capitalization of the company has consisted of 600,000 authorized, 338,400 issued and outstanding, no par value common shares.

Foundation common has shown a high of 14⅝ so far this year, a low of 10. Early this week it was trading at 13. Current quarterly dividend rate is 12½c per share.

Brazilian Traction Has Drawn Down $61 Millions Loan

Brazilian Traction, Light & Power Co. had drawn down $58,479,447 at Sept. 30, 1951 of the original $75 millions loan from the International Bank for Re-Construction & Development according to the Bank's statement. This indicates that, in the three months to Sept. 30, 1951, the company has drawn down $5 millions on the loan and for the first nine months of 1951 it has drawn $14 millions on the loan.

In addition Brazilian Traction had drawn down $2,972,546 at Sept. 30, 1951 of the further $15 millions loan approved early this year. This indicates that during the three months ended Sept. 30 it drew down $1.4 millions of this loan.

The loans are to help finance Brazilian's program of expansion of electric power and telephone facilities.

Blue Ribbon Earnings Hold

Business of Blue Ribbon Corp. for the first quarter of the current fiscal year which started July 1 is according to expectation and results at least as good as last year's, President J. A. F. McKay said at the annual meeting this week.

A considerable reorganization of the company is now in progress, Mr. McKay said, but planned modernization of facilities can only be carried out over a long term. Management can see a great deal that needs to be done.

The contingent liability on the balance sheet at June 30, 1951, of $111,000, commitments for future capital expenditures represents new equipment on order for the Toronto and Vancouver plants and new trucks on order. With more modern machinery, company expects to produce more at lower cost, he said.

Replying to a question on the sharp increase in inventories (from $1,964,950 at Dec. 31, 1950, to $3,757,114 at June 30, 1951) Mr. McKay explained that the accounting method had been changed so that stocks in transit were now included in inventories. Inventories had also been built up because of the unsettled world conditions and the length of time it took to bring the materials from the source of supply. Further, the Dec. 31 figure had been unusually low.

Results for the six months to June 30. 1951, present a reasonably satisfactory comparison with previous trading records, he said. The net profit was lower, due mainly to higher income taxes.

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BOX 223
THE FINANCIAL POST, TORONTO

Atlas Steels Earns $2.89 In Nine Mos.

Net earnings of Atlas Steels Ltd., Welland, Ont., for the nine months ended Sept. 30, 1951 were $2,412,256, after provision of $423,000 for depreciation and $2,657,008 for income taxes, according to unaudited figures, company states. The net is over 4.7 times the net earnings of $509,746 for the first nine months of 1950 which was after provision for depreciation of $237,000 and for income taxes of $331,591.

Earnings for the nine months are equivalent to $2.89 a share on the outstanding 834,425 n.p.v. common shares (61c a share for corresponding 1950 period). For the year ended Dec. 31 1950, net profit was $1,068,115, equivalent to earnings of $1.28 a common share.

The company is operating at approximately the same rate as in the first half of the year and its production is confined primarily to high speed, high grade tool steels, stainless steels and alloy steels for special purposes.

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November Review and Securities List

A review of factors reflecting the continued high level of activity of Canadian business, as well as comment on security price levels are contained in our new "Review and Securities List".

A representative list of Canadian Government, Provincial and Municipal Bonds and Corporation Bonds and Shares yielding from 3% to over 6% is offered in the List.

A copy of our new "Review and Securities List" will be mailed to you upon request to any of our offices.

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W. A. SHEAFFER PEN CO. net sales, for both U. S. and Canadian operations for the six months ended Aug. 31, 1951, were $11,103,683, up 24% over the same 1950 period, W. V. Saunders, company's Canadian president, announced. Net earnings for the first half of the fiscal year, after provision for taxes based on current rates, were $1,162,558 — equal to $1.43 a common share ($1,237,996 or $1.53 a share in the same 1950 period).

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BOX 218, THE FINANCIAL POST, TORONTO.

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BOX 215, THE FINANCIAL POST, TORONTO

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OIL KNOWS NO BOUNDARIES

SASKATCHEWAN'S potential oil lands have increased in importance with each discovery this year of high gravity crude oil within a few miles of the Province's borders—first at Virden, Manitoba, by California-Standard, then near Williston, North Dakota, by Amerada Petroleum and recently in Richey, Montana, by Shell Oil Company. Crude oil occurrences are not governed by political boundaries but by favourable geological structure and a number of major oil companies, along with a few independents, have acted on this axiom—their exploratory permits now cover almost the entire southern half of Saskatchewan. If the new wells near its borders are any guide, the extensive search in progress in the Province, now involving millions of dollars annually, will shortly be rewarded with discoveries of high gravity oil. A new period of redoubled activity over a huge area of potential oil lands will then be ushered in.

For participation in the search for oil in Saskatchewan, we recommend the purchase of:

Canada Southern Oils, Ltd.
Convertible Debentures
Price: At market, approximately $101
or
Common Shares
Price: At market, approximately $10.50

Albercan Oil Corporation, the principal subsidiary of Canada Southern Oils, Ltd., is in the forefront of the companies which took an early interest in Saskatchewan. Of the independents whose sole business is oil exploration, Albercan is the largest landholder in Western Canada and the largest in Saskatchewan, holding over 2,800,000 net acres in that Province alone. Moreover, Albercan now has over $8,000,000 in cash at its disposal as a result of the recent issue of convertible debentures by the parent company.

Holders of the Debentures are entitled to convert them into common shares, the initial conversion price being $10.50 per share. Recent share transactions in Canada have taken place at or near the first conversion price. The shares are listed and trade actively on The New York Curb Exchange, there being more than 16,000 shareholders in the United States and Europe. Coincident with the issue of the Debentures in Canada, the shares were also listed in Toronto and Montreal, opening the way for broader participation in the Company by Canadians. Complete information about the Company is contained in the prospectus, a copy of which we will be glad to provide, upon request.

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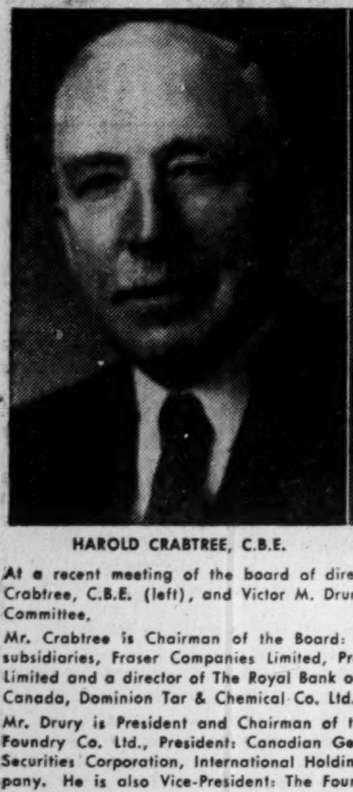
HAROLD CRABTREE, C.B.E.

VICTOR M. DRURY

At a recent meeting of the board of directors of Montreal Trust Company, Harold Crabtree, C.B.E. (left), and Victor M. Drury, were elected members of the Executive Committee.

Mr. Crabtree is Chairman of the Board: Howard Smith Paper Mills, Ltd., and its subsidiaries, Fraser Companies Limited, President: Woods Manufacturing Company Limited and a director of The Royal Bank of Canada, Sun Life Assurance Company of Canada, Dominion Tar & Chemical Co. Ltd., and many other companies.

Mr. Drury is President and Chairman of the Executive Committee, Canadian Car & Foundry Co. Ltd., President: Canadian General Transit Co., Limited, Hydro Electric Securities Corporation, International Holdings Limited and Provincial Transport Company. He is also Vice-President: The Foundation Company of Canada Ltd., and a director of a number of other companies.

*

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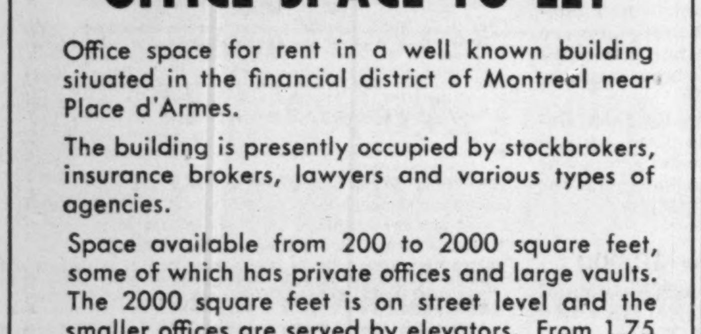

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MANAGED INVESTMENT

MacNab's Manager Buys CPR Convertible Bond

MacNab's manager buys $1,000 of the new issue of CPR 3½% convertible collateral trust bonds due Oct. 1, 1966 at the time of issuance. The purchase was made with funds obtained by selling account's holdings of $1,000 Government of Canada 3% Ninth Victory Loan bond due 1966.

This transaction completes the switching program from fixed income securities to convertible bonds, MacNab's manager says.

The market valuation of the account was at a new high on Oct. 15.

The MacNab Account Transactions

PURCHASED

Amount $	Security:	Cost $	Total cost $
1,000	CPR 3½% conv. bd. Oct., 1966	100	1,002.40†

Note—Purchased Oct. 15, for settlement Oct. 25.

SOLD

Amount $	Security:	Selling Price $	Net Proceeds $
1,000	Can. 3% bd. 1966 .	96¾	981.92†

Note—Sold Oct. 23.
†Includes accrued interest in each case.

MacNab's Manager Says:

The valuation of your account at Oct. 15 shows it at a new high of $24,083.34, up from $23,591.72 on Sept. 15. This indicates a net gain of $491.62 for the period.

On Oct. 15, I purchased for your account $1,000 Canadian Pacific Railway 3½% 15 year convertible bond due Oct. 1, 1966 at $100. To provide funds for the purchase I sold, on Oct. 23, $1,000 Government of Canada 3% bond due 1966 at $96¾.

This transaction completes the switch program from fixed income securities to convertible bonds. While having the advantages of fixed income, convertible bonds also provide a hedge against rising stock prices through the conversion privilege.

You now hold $5,000 par value Canada Savings Bonds maturing 1956 to 1960 at the rate of $1,000 a year, repayable on demand, and also $7,000 of convertible bonds of various maturities from 10 to 20 years.

As on Aug. 3, I sold 25 shares of Acadia-Atlantic Sugar Refineries Ltd. common stock at $6.75 a share, I am reducing the amount of the cost of your class "A" stock, as shown in your portfolio, by this amount as I originally purchased the old stock, which was subsequently split into Class "A" and common stock. The cost of your Acadia-Atlantic Sugar Class "A" is now shown as $17¾ while the current market price is $19 a share.

As a result of the above switch of bonds for your account, your indicated annual income has been increased from $928 per annum to $933, at current dividend rates, or 9.33% on your original investment of $10,000 when your account was handed to me for management on Dec. 15, 1944.

Since the last valuation, Powell River Co. has been split on a 3-for-1 basis, the new share certificates having been issued Oct. 1. This is reflected in the statement of your account.

During the month ended Oct. 15, interest and dividends totaling $72.25 were received. After your agreed monthly withdrawal of $40, your cash account was increased by $32.25 to amount to $187.72 at Oct. 15.

The MacNab Account Now Stands

No. of Shares		Cost per sh. $	*Market per sh. $
	Common Stocks		
25	Anglo-Nfld. Devel. ...	12⅜	13⅜
200	Calvan Consol.	5.16	6.90
50	Can. Iron Foundries ..	20	20½
50	CPR	15¼	35¼
10	Consol. M. & S.	95½	182
40	Inter. Nickel	33¼	44¼
50	Inter. Utilities	21½	27½
30	Powell River Co.	26½	28½
30	Steel Co. of Can.	21½	36
	Preferred Stocks		
25	Acadia Atlan. Sugar A	17¾†	19
	Bonds		
$1,000	Can. Sav. 2¾% 1956 ..	100.00	100.00
$1,000	Can. Sav. 2¾% 1957 ..	100.00	100.00
$1,000	Can. Sav. 2¾ %1958 ..	100.00	100.00
$1,000	Can. Sav. 2¾% 1959 ..	100.00	100.00
$1,000	Can. Sav. 2¾% 1960 ..	100.00	100.00
$1,000	Can. 3% 1961/66	100.00	96.875
$1,000	Abitibi P. & P. 4¼%	100.00	104.00
$1,000	Braz. Tract. 4½% 1971	98.00	106.00
$1,000	Cent. Leduc Oil 5% '65	101.00	90.00
$1,000	Dom. Stl. & C. 4% '61	100.00	104.00
$1,000	Dom. Textile 4% '66 ..	100.00	100.00
$1,000	West. Can. Brew. 5%	100.50	101.00
Cash			$187.72
Current market value of fund ..			$24,083.34
Annual income			$928.00
Average yield on original $10,000			9.28%

*As at Oct. 15.
†After deducting proceeds of common sale.
Note: Does not reflect purchase of CPR bond and sale of Canada bond mentioned above.

Tool and Die Shop $20,000.00 Cash. Balance terms. Proven concern, includes building, property, equipment and goodwill. Located in Windsor vicinity.

BOX 194
THE FINANCIAL POST, TORONTO

SACRIFICE SALE

Ideal site for hunting lodge or fish and game club: 3,500 acres, Bedard, Que., 18 miles below Mont Laurier. 4 private lakes. 2 garages, well-built 15-room house with finished hardwood floor on unpartitioned top story. 100 yds. from Can. Pacific station. House supplied with spring water under pressure. On good gravel road 4 miles from Mont Laurier highway. Price: $60,000. D. W. OGILVIE & CO., INC., Dominion Square Bldg., Montreal.

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The City of Cap de la Madeleine, Que., East Trois-Rivieres and St-Maurice River, on St. Lawrence River, has many industrial sites available. Deep waterway, railroad facilities, free express delivery, abundant and cheap power, skilled workmanship.

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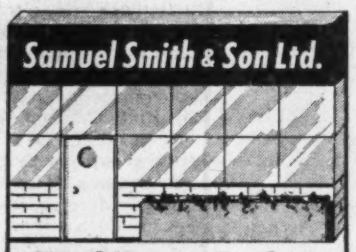

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Expect Early Bell Interim Rate Decision

MONTREAL (Staff)—With the completion last week of the brief hearing on Bell Telephone Co.'s application for an immediate interim increase in rates, judgment was reserved by the Board of Transport Commissioners.

Originally the company asked for an interim increase Oct. 1 to provide an additional 10% in revenues. When the date for the hearing on the temporary increase was set for Oct. 24, this was amended to Nov. 1. No date has been set for bringing down the judgment, but Assistant Chief Commissioner Hugh Wardrope said "we will do the best we can to give a decision as soon as possible."

A. P. G. Joy, counsel for the City of Toronto which is opposing the application along with other Ontario and Quebec municipalities, contended there is no need for an interim increase. The company's needs could be taken care of when the main application is heard, he held. The Board indicated in September that the main hearing would start toward the end of November or early in December, but there has been no further confirmation of this.

Divided Position

In its application, the company estimated its earnings in 1951, if there is no increase in rates, at $2.03 per common share; $2.24 if the proposed interim increase were put into effect by Oct. 1. If present rates continue through 1952, common stock earnings would drop to $1.70 a share, company estimates, compared with annual dividend rate of $2 a share.

Counsel for Toronto contended that it was "grossly improper" for the company to plan increases in local rates and leave long distance rates unchanged. Company held that higher long distance rates might cut down traffic and because long distance revenues were dependent on traffic volume, they could be sharply reduced with little warning due to business conditions.

AMERICAN CYANAMID CO. has issued an additional 9,851 common shares upon conversion of 349 cumulative preferred series A 3½% shares and 6,552 series B 3½% shares. It has also 102 common shares upon consolidation of 10,200/100ths scrip. Issued capital is now 4,113,479 common shares, 21,489 series A preferred shares and 170,133 series B preferred shares.

EAST CREST OIL has received payment covering 100,000 shares at 17½c a share and 200,000 shares at 22½c a share, under underwriting and option agreement with Alator Corp., Toronto. Issued capital is 4,800,000 shares, leaving 200,000 shares in the treasury.

Mexican L. & P. Has Drawn Down $14 Million Loan

Mexican Light & Power Co. had drawn down $14,555,665, at Sept. 30, 1951, of the $26,000,000 loan granted it by the International Bank for Reconstruction & Development according to the Bank's statement. This would indicate that the company has drawn down about $3.4 million in the third quarter of 1951 and about $7.5 million in the first nine months of 1951.

This loan was to enable the company to continue with its share of a long range program, undertaken with Federal Electricity Commission, to increase electric power supply to Mexico City and district. Under the program the company will have added 155,000 kw to its generating capacity by 1953 and the Federal Electricity Commission will have added 175,000 kw. The company will distribute all the additional power within the Federal district.

P.E.I. Potato Prices Highest in Years

CHARLOTTETOWN — Potato prices on P. E. I. are at the highest level for many years. General price to producers right now is $1.25 per bushel at the farm for table-stock, and $1.30 to $1.50 for certified and foundation seed. Growers were advised by the Provincial Marketing Board to ship at least 1/3 of their crop before winter.

Announcement has been made of the appointment of Dermot A. Williams as Assistant Manager of Stewart-Bowman-Macpherson Ltd., Advertising Agency at Edmonton.

Mr. Williams has been accountant executive with the firm for a number of years and has had many years of experience in the sales promotion and merchandising in the industrial field throughout the West.

Mr. Williams will continue his association with clients handled by the Edmonton office.

*

B.A. Enters Grease Mfg.

A $1,500,000 grease plant with 15 million lb. yearly capacity will be constructed at the British American Oil refinery at Clarkson, Ont., the company announces.

It will be B. A.'s first major grease manufacturing installation, and should be completed late next year. It will be equipped to manufacture a full range of automobile, industrial and aviation greases. The company's imports of greases from the U. S. will be cut to a minimum.

The most modern equipment is being ordered in place of the more common batch-process machinery, a company official says. Basic materials will be fed into equipment, producing a more uniform quality product and also making it at a faster rate. Packaging equipment will be on a weight-controlled basis to ensure full measure. The building will be 250 ft. by 150 ft.

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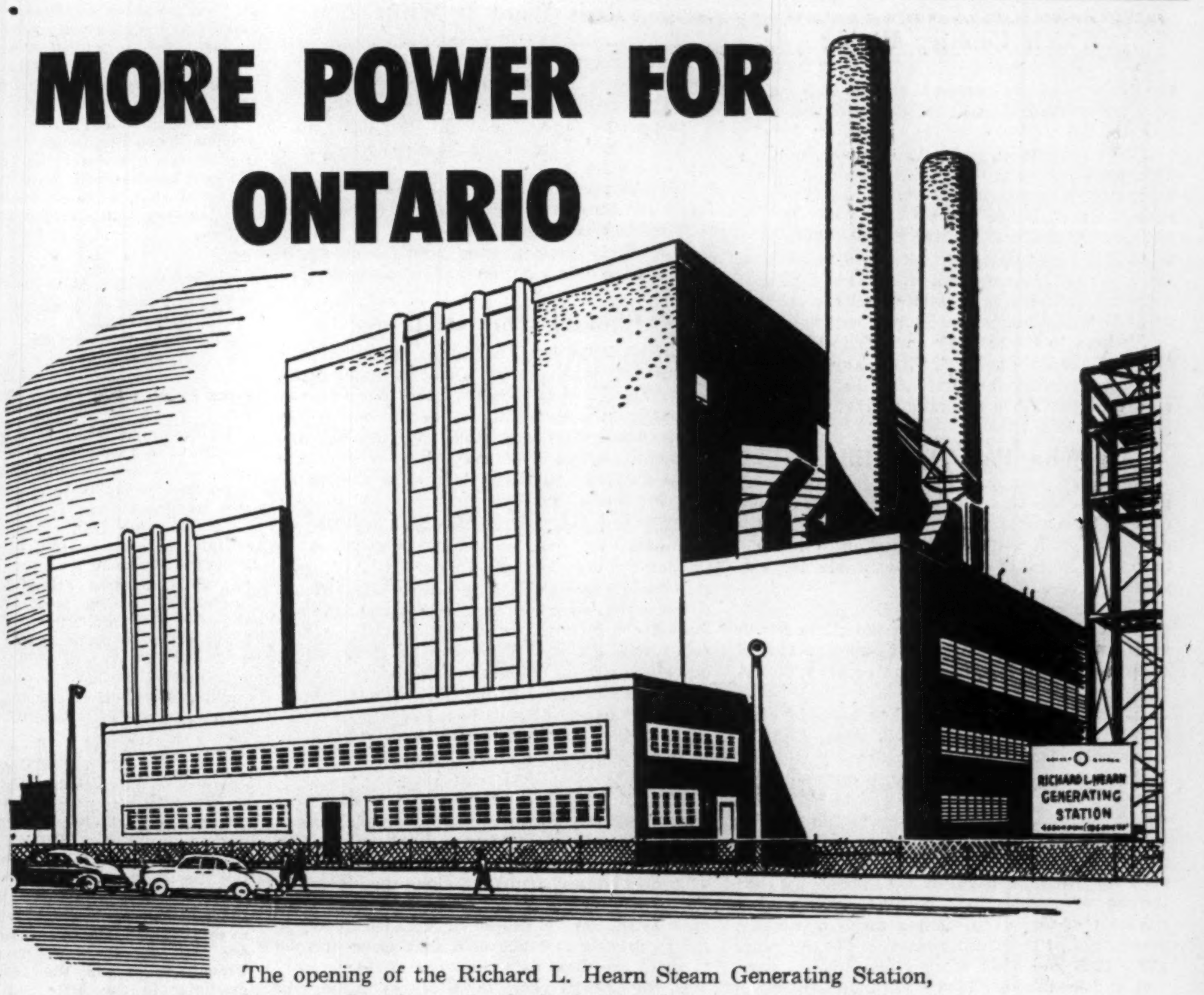

The opening of the Richard L. Hearn Steam Generating Station, *largest in Canada*, marks the beginning of a new development in the Ontario Hydro-Electric Power Commission's programme. With an immediate output of 88,000 kilowatts and a potential ultimate capacity of 536,000 horsepower, the new unit will make a substantial contribution to Ontario's power supply. The Canadian Comstock Company, which was made responsible for the electrical and plumbing installations is proud to be associated with the Ontario Hydro-Electric Power Commission and their consulting engineers, Stone & Webster Canada, Limited.

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LONDON HAMILTON OTTAWA TORONTO MONTREAL HALIFAX

Still a Big Farm Year

When calamity hits the western grain growers, as it has hit them this fall and last, the non-farmer is likely to jump to the conclusion that agricultural production will be very seriously down. That is by no means the case.

Actually, there is still a very large crop of grain in Western Canada, although the quality, because of the extremely unfavorable weather will be much lower than usual and the cost of harvesting will be high.

Both this year and last, the blow came at the end of the season when the crop was well advanced. In 1950 it was a severe and early frost which did the damage. This time it was a combination of frost and almost continuous wet, perhaps the wettest and the coldest fall in the history of western grain growing. In both cases however the actual yield of grain was heavy—much heavier than usual.

The great bulk of this weather-damaged grain will be harvested eventually. Much of it, however, will be of low grade and perhaps unfit for anything but livestock feed. But, provided the livestock can be found or raised to consume it, feed will be turned into food and into farm income. This will mean more work for the farmer and more waiting for his cash, but in the long run it will probably be of considerable benefit to Canadian consumers who have been paying record high prices for scarce meats, dairy and poultry products.

As for Canadian agriculture in general, experienced observers, as reported on pages 19 to 27 of this issue of The Financial Post, expect another good year. Total farm revenue, they estimate, will not be far below recent exceptionally high levels. Aside from those areas which have been hard bit, rural purchasing power should be fairly well maintained. There won't, however, be the great flood of new money in western Canada this fall. That only comes when the wheat crop is big, of high market quality and is harvested and marketed on time.

Let the Price Tag Show

In definitely tying the new universal old age pensions to a specific portion of income and sales taxes, Ottawa is on sound ground. Now we are going to learn exactly what this major expansion in social security costs and how it feels to pay for it.

That is an important point but there is another one equally so.

With the price tag prominently displayed, there will be some check on those irresponsible politicians of all parties who seem willing to promise anything in the way of a public handout if they think that it will bring them votes.

They have been particularly reckless in offering things that can be covered up in general government costs. They will not be so reckless about some things that their audience knows very well mean an automatic and stiff boost in sales or income tax or both.

Already we have seen some evidence of this danger before the details of financing the new pensions had been worked out. About the only criticism from the opposition parties in the House of Commons was that the pension was not enough. It will be time enough to decide that when we know the full cost and when we are able to measure that cost against ability and willingness of the tax payers to pay.

Too Much Talk—Too Little Work

What was scheduled to be a short session of Parliament, mainly to deal with the new old age pensions, already is beginning to look like the usual weary wordy marathon. The Ottawa Journal, with long and intimate experience with Parliaments, doubts if prorogation is to come before Christmas.

Something will have to be done about this business or Parliament will find itself in continuous session and still bogged down so far as essential work is concerned. Much of the trouble stems from far too much general talk, far too little preliminary work and planning by special committees.

In The Financial Post recently a group of well known Canadians, many of them with parliamentary experience, offered specific suggestions for improving the efficiency of Parliament. Their replies could be studied with profit by our representatives at Ottawa.

Which Country Right?

The contrast between how the U. S. tackles the problem of civil defense and what is being done in Canada is evident to any visitor motoring south of the border.

As one approaches major American cities, huge highway signs warn that, in the event of enemy attack, those thoroughfares will be closed to civilian traffic. When the visitor checks into a hotel, he's given a card telling him how to protect himself if an aerial attack occurs while he is in the building. If he goes out on the street, he sees signs indicating where public shelters are located and how many people they will hold.

Visitors to Canada get no such information. Nor do Canadians generally have any.

Which country is right? Are the Americans overly excited? Are Canadians slow?

Who Pays The Bill?

We have been told that the new universal pensions at age 70 are to cost Canadians an additional $250 millions a year. We are not so clear on how much it will cost any particular individual. The Post has made an estimate for one particular case.

The Government's "2-2-2" plan calls for 2% on personal income (maximum $60); 2 points to be taken out of the existing 10% manufacturers' sales tax; and a 2-point rise in corporation income tax.

It's clear to every taxpayer how much he must pay in the personal income tax rise. And it's reasonably clear that he pays the 2% on sales (for without the new pensions, presumably the sales tax could have been dropped to 8%). It's not so clear as to who pays the 2-point rise in corporation income tax. In the long run we think consumer pays that increase too. U. S. experience seem to back us up. There the net income of corporations earning profits after payment of taxes represented about a constant percentage of their gross revenue for the years 1927, 1928 and 1929 when Federal taxes were low, and for the year 1946 when they were much higher.

Let's take the case of a married man aged 25, with no children. If his wife is the same age, they can look forward to a 45-year wait until they will collect the $960 per year payable to the two of them if they are still alive at 70. If we assume an average income of $5,000 a year (the wife may work), what do they pay in the new taxes?

First, they pay the maximum $60 in increased personal income tax.

Second, they pay about $37 a year on the 2-points on the sales tax.

The 2-point rise in corporation income tax will in the long run cost them $25 more annually.

This means that under the "2-2-2" formula, the couple will pay an additional $122 in taxes each year.

In 45 years this amounts to $5490.

If for each of the 45 years the couple were able to take their $122 and invest it at 5%, at age 70, with interest compounded annually, they would have a principal of $19,483. (After all, money will double itself in 20 years at 3½%.) This principal, invested at 5% would bring an income of $974 a year — leaving the principal intact, whether or not they both live.

From the Government, if they both live, they will receive $960, and have no principal.

The people of Canada, through their Parliment, seem to favor this pension scheme. These figures are presented merely to show what it will cost, and to indicate why some people may still be in favor of paddling their own canoe.

Working Model

The British Commonwealth of Nations is the only international association that has been really tested and found to work in the world today. That tribute comes from Lawrence Hunt, New York lawyer and a good friend of Canada and the Commonwealth, in a recent address before the Royal Empire Society in Montreal.

His opinion may sober the visionaires but they will find it difficult to dispute. As Mr. Hunt points out, other empires have come to a sudden end, but the one started by England four hundred years ago, while it has changed continually, still endures in modern form.

Said Mr. Hunt:

> "There have been international alliances which are now forgotten. There was the League of Nations, which failed. There is the United Nations, a very useful organization, but which, despite a written constitution and regulations and rules of procedure, has not fulfilled the aspirations of the free peoples of the world. There is the North Atlantic Treaty Organization, which we earnestly hope will succeed, but it has yet to be tried and tested. The Commonwealth has been tested and it works. It has saved the world twice in our lifetime."

In some important circles there has been a tendency recently to forget about this vague commonwealth of ours. The connection doesn't mean much to Canada, at least, in the matter of trade, and much less than the old empire, in such a vital concern as active defense. But it has helped understanding and peace throughout a very large portion of the world and it has grown and developed with the times. It may well prove the working model for the rest of the democratic world to follow.

Reds Want It White

Shades of Lenin, Marx and Stalin!

In the recent Winnipeg municipal election, the big issue was a referendum on whether margarine should be sold colored or not.

One would expect the local Communists running to be for whatever the "masses" wanted; in this case color.

They'll probably have to answer to Stalin for it, but they campaigned against color.

Why this ideological heresy?

The Reds have a good sound capitalistic reason: they own a butter making creamery.

Choking Our Highways

British Columbia is beginning to worry about the "ribbon development" along its major highways. This, a New Westminister observer describes as "the string of service stations, coffee bars, china shops and such like tourists enticements, which decorate highways like the Trans-Canada and King George, in a more or less continuous line."

This problem is not confined to British Columbia. We have it almost everywhere in Canada where the population is increasing materially, and especially within 100 miles of any of our fast growing cities. Highways which were almost completely free of local traffic a few years ago are now becoming as cluttered as downtown streets. In addition to the tourist enticements mentioned by our Westminster friend, there are dozens of private residences to every mile. Driveways from these connect directly with the highways and add another hazard for the motorist.

On one 30 mile stretch west of Toronto, an office visitor informs The Financial Post, over 400 private residences have been built since the last war. These are not in communities or groups but are strung out along the highways. Formerly on both sides of the road there were only farms and a couple of villages. Now, so far as driving is concerned, that piece of road is about the same as a suburban street.

In the last 20 years hundreds of millions of dollars have been poured into highways construction to give us fast and smooth transportation. We haven't got it where "ribbon" building has followed. We have only got congestion and a steadily growing accident rate.

Eventually we may be forced to build all our highways like the few super ones we have now, in some parts of Canada and the United States. These will be on their own private right of ways like the railroads, with local and through traffic rigidly segregated. No lanes or private driveways will be allowed to connect directly and no more secondary roads than can possibly be avoided. For their own safety and that of the motorist, no person will be allowed to build a private residence directly attached to these roads. This will mean much more expensive highway construction, but it will give us fast transportation permanently. With the average highway today, we only get that kind of transportation for about five years. By that time "ribbon" development has made even moderate speed impossible.

Holiday Scratch Pad

THE DISCOVERY of a Swedish scientist that cows have a surplus of commercially usable heat has occasioned considerable comment. This gentleman has found that 18 cows have enough heat left over after caring for their own needs to warm a five room house. He is said to have actually connected up a system for piping the heat into the house.

But a contributor who has lived on the Prairies says this is all old stuff. The early settlers in Manitoba, Saskatchewan and Alberta were half a century in advance of this Swedish researcher. Many of them lived upstairs, over the cows, and while they usually needed a stove too, when the mercury went to 50 below and the wind to 50 horizontally, the animal heat saved enormously on the regular fuel.

This correspondent also recalls that the breath of the cow was much esteemed, and supposed to ensure good health and a pleasant odor. But when cabbages were hung in the cow barn, as a precaution against frost,—sometimes the blending was not an improvement.

* * *

THE NORTH AMERICAN INDIAN is often a badly maligned fellow, but once in awhile he gets in a little dig of his own. A Scratch Pad reader vouches for the veracity of this one:

He was in the James Bay region of Northern Ontario scouting timber limits. Travel was by canoe just as soon as the ice break-up permitted.

On the way up our friend came across an old iron stove taken back into the bush by an Abitibi timber cruising party over a year earlier. In the city, the stove would be worth no more than the current price for scrap iron. Well back in the backbreaking bush, however, its value could be a hundred times more. But a party of local Indians, though passing the abandoned stove almost every day during the winter, hadn't touched it.

After exchanging tobacco and tea for a freshly caught spring sucker, our Scratch Pad friend asked the Indians if they'd seen the old stove back down the river.

They nodded quickly.

"You can have it," he said.

Immediately, though it was nearly time for them to return to their summer camp at Low Bush, the Indians packed off a small expedition to retrieve the prize.

Later our friend camped up the river a few miles from the Indians who followed in silent procession in the hope of gaining more tobacco. He threw his equipment on the ground and decided he had enough time before dark to make a quick trip into the territory he had come to inspect.

"Will this stuff be all right here?" he asked the Indians.

"Sure," they nodded. "No white men around."

* * *

SOME KEEN-EYED New York suburbanites noticed a strange plant in their neighbor's garden. They reported to the narcotic squad and the enterprising horticulturist was haled into court and charged with growing marijuana. Asked for his side of the story he explained that he thought he was growing Indian hemp. The police sniffed. They had heard that before. But the rest of the story was different. He said he mixed the stuff with bird seed and when fed to his canaries they sang oftener and sweeter than ever before.

* * *

MANY YEARS AGO in a Scottish settlement near Kincardine, Ontario, the minister called a meeting of his stewards after the service at the Kirk. The subject—cuspidors. "Now what will we do about the cuspidors to stand inside the front door?" he asked.

Up spoke one who wanted to do his neighbors an honor, "I move that —— Mac ——— and —— Mac ——— be appointed cuspidors to stand just inside the front door."

In the same frank-speaking community the story is told that during a pioneer wedding the minister paused when he was asked if anyone knew just reason why these two should not be wed. There was silence. Then out of a corner came a harsh old voice. It was the old lady who was holding the lamp so the minister could see, "Well, so far as I'm concerned, I guess it's all right," she said.

* * *

HALED INTO COURT the other day was an Englishman who had uprooted a highway sign which said "Drive Slow." Wording of the official notices along the King's highway should be in the King's English, he told the judge. This motorist would have received a greater jolt from some of the signs which still appear in this country. On an occasional road one will see "School Drive Slow," which cannot aid the teaching of grammar in the little red building nearby. Then there is that other, "Men Working Drive Slow," which, when we find not a single pick in the air, offends both in grammar and truth.

Stop Me If—

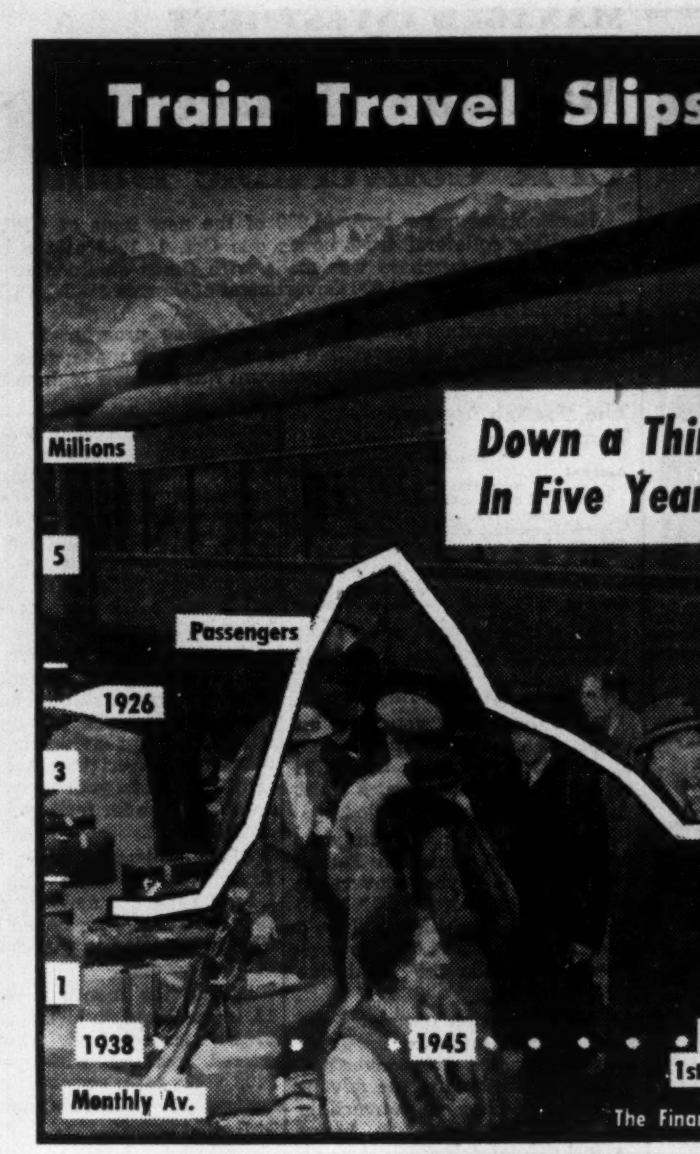
First woman: "She told me that you told her what I told you not to tell her."

Second woman: "Well, I told her not to tell you I told her what you told me not to tell."

First woman: "Oh, dear! Then don't tell her that I told you that she told me what I told you not to tell her."

* * *

The kindergarten teacher smiled pleasantly at the gentleman opposite on the streetcar. He did not respond. Realizing her error, she said aloud, "Oh, please excuse me. I mistook you for the father of two of my children." She hurriedly got off at the next stop.



The Financial Post

Post Scripts

Man With a Mission

Harold J. Cornish, who's been practicing accountancy in London, Ont., for 21 of his 45 years, is firmly convinced the role of accountant as financial counsel to the businessman—and the small businessman, in particular — is something the business world should learn a lot more about. And now he's going to start to enlighten it.

MR. CORNISH

Principal of the London accounting firm of H. J. Cornish & Co. — one of Western Ontario's largest — Cornish has been elected first president of the newly formed Canadian Institute of Certified Public Accountants. His major task will be a public relations program on behalf of the 800 CPA's of Ontario, New Brunswick, Manitoba and Newfoundland. Other provincial associations, it's hoped, will shortly join the Institute.

Says Cornish: "We've a most useful story to tell and an essential service to offer for wider use in the business life of the nation. All of us can quote from our own experience numerous instances where the expert financial guidance we provide has rescued many a business from difficulties and sometimes disaster. Trouble is we just talk about it among ourselves. Result: everybody thinks of us as mere bookkeepers; we lose business for ourselves; business loses the expert help we've been trained to give. And the kind of help we can give is more than ever needed in today's business situation — complicated as it is with credit restrictions, new and unfamiliar tax and depreciation setups."

To carry out their public relations program the CPA's have chosen a man well suited to the task by temperament and aptitude.

For Cornish has always been very active in public relations in his own behalf.

Get out and meet people, get yourself as widely known as possible — that's the Cornish formula for business success. He has put it into practice in Kiwanis (past director, London branch), the Masons (past master of his lodge), in YMCA work, on the executive of the Victorian Order of Nurses in London and the London Civic Symphony Association.

He's a member of the London Club, director of several companies, an enthusiastic gardener, an occasional golfer.

Born in St. Marys, Ont., he's a graduate of the University of Western Ontario. He started in practice as an accountant in 1930, graduated as a CPA two years later. Married, he has one son, aged 16, who "shows every indication of following in father's footsteps."

All Round Canadian

Few Canadians could be better equipped to head the Boards of Trade, Chambers of Commerce and Chambres de Commerce in this bilingual country than the new president of the Canadian Chamber of Commerce, René Brunay Perrault.

Born and reared in Montreal by French-speaking parents, the 56-year-old Perrault is the sort of person who would fit in easily in any one of the 10 provinces. Not only is his outlook broadly Canadian, his friendliness catching, but he actually looks and speaks as though he might come from any one of the hundreds of Chambers across the country.

Perhaps it's because he can switch from French to English and back again without a trace of an accent in either language. Partly it may be his well filled out, jovial appearance. He is a "small businessman" (president of Cumming-Perrault Ltd., Montreal automobile dealers), and most of the Chambers members across Canada are small business or professional men.

Mainly, however, the reason for the unusual degree to which René Perrault bears a resemblance to many of his countrymen from all parts is that he seems to think and act as a Canadian rather than as a native of any one section. He's very proud of his province and of his French origin, but he's also very proud of Canada.

Perrault says his father was very anxious that he learn to speak English fluently. Thus part of his education was at Mont St-Louis College, part at Catholic High School in Montreal, part at College Sacré-Coeur at St. Hyacinthe, Que., and he graduated in 1921 from McGill (B.Sc. in civil engineering).

The engineering degree came after army service in which, once again, the associations were both French and English. He enlisted in 1915 with the Carabiniers Mont-Royal (now Fusilliers Mont-Royal), but served overseas with a B. C. outfit (48th Pioneer Battalion) and an Ontario one (123rd Pioneer Battalion) and the 8th Battalion Field Engineers, all in 3rd Canadian Division.

Perrault's first job after he graduated from McGill was with Bell Telephone. After five years there, in 1926, he became district manager for Ford of Canada at Montreal, and two years later helped found his present firm.

The new Canadian Chamber president has enjoyed this life particularly because it has meant getting out and meeting people. "I like promoting and organizing things," he says.

And he's been doing a lot of promoting and organizing since. Toward the end of the 'thirties he was president of the Advertising and Sales Executive Club of Montreal for three years, was one of a small group which revived and built up the activities, particularly sales training of that organization. He helped organize and was first president of the Federation of Automobile Dealer Associations of Canada. He's a past president of the Canadian Club of Montreal.

He has taken an active part in many other groups, both French- and English-speaking. His club affiliations are similarly diverse. In between he manages to do a bit of fishing, hunting, golf and photography.

Mrs. Perrault, originally from Detroit, takes lessons to keep up her French. They have two daughters, one at Mount Allison University and the other at King's Hall, Compton.

Spokesman for 30,000

The Canadian Research Institute of Launderers and Cleaners has a new boss. He is Gordon B. Henning, general manager of Langley's Ltd., Toronto. At the recent annual meeting of this trade association in Toronto Henning was unanimously chosen president.

MR. HENNING

Gordon Henning was born in Saskatoon but moved east when he was very young. He received all his schooling in Toronto. For a short time he was with the Canadian Bank of Commerce then went to Toronto Launderers and Dry Cleaners where he became sales manager. Six years ago he joined Langley's. He has held several association positions in various organizations representing the cleaning industry and has also been active in the Lions Club.

The CRILC represents the two major branches of the cleaning industry, dry-cleaning and laundering. Some 400 firms all across Canada are members, representing about 1,200 individual establishments. In these plants are employed almost 30,000 people and the annual business is estimated at just short of $100 millions.

What Others Are Saying

Editorial of the Week

The Price of Freedom

Fredericton Gleaner

The cost of our defense effort for the next 12 months is expected to be in the vicinity of $1,500 million, according to Hon. C. D. Howe.

In addition, industry is planning to spend some $2,500 million for production of strategic materials in the five-year period 1950-1955.

But it should be realized that the whole cost of our defense effort will not be measured by these astronomical figures.

The money which is lavishly being spent in defense of freedom must also be interpreted in terms of goods which will not be available for civilian consumption.

We in Canada have been extremely fortunate so far. There has been no lack of goods on the market and life, to all intents and purposes, is going on pretty well the same as in the past.

But the pinch is likely to be felt more in the future when the defense program gets going under a full head of steam.

The answer to this problem, and also to that of inflation which is closely allied, is more production; more production from not only our metal, mineral and oil reserves for which great plans have already been partially revealed but from industry generally.

Even with that it is doubtful if the full slack will be taken up.

If that should be so there will be no cause for complaint.

It is but part of the price which must be paid for security and freedom.

Other People's Views

PORCUPINES are not protected nor should they be, says the **Sudbury Star.** "We have yet to hear of a lost man looking around for a footloose porcupine to replenish his depleted rations. There is no such thing as protection for the porcupine, and the story of protection for the purpose of keeping men from starving in the bush is sheer romance. In the North, these animals destroy trees."

* * *

THE ONLY thing that makes the income tax tolerable at all, says the **Ottawa Journal,** "is the conviction that the officials who administer it play no favorites, that all are treated alike and with the same severity. We find ourselves quite unable to work up much sympathy for the chap who runs afoul of income tax regulations and then complains bitterly about their rigidity, says the income tax law is loaded in favor of administrators and officials. We feel it must be that way if something approaching absolute impartiality is to be achieved. If there is room left for special treatment of special cases, or if officials have the right to temper the regulations with the mercy they might like to extend, the way would be open to all manner of abuse."

* * *

NOT A SHRED OF EXCUSE is there for maintaining the color ban on margarine, declares the **Winnipeg Tribune.** "It does not protect the consumer in any way. The pretext that it prevents the fraudulent sale of margarine in place of butter is utter nonsense. Margarine brands are well known, well advertised and sold in clearly marked packages. It does not protect the farmer. The farmer can readily sell all the fluid milk he can produce. It does not even protect the dairy interests. They are selling all the butter they can churn. In fact, last year and again this year the Dominion Government has been forced to import millions of pounds of butter from other countries to meet Canadian needs."

* * *

SHORTAGE OF STEEL may swing production on this continent toward smaller cars, says the **Windsor Star.** "This idea comes from a legislator, Senator Fullbright of Arkansas, rather than from the automobile producers themselves, but should not be ignored because of that. If what he referred to comes about, it could be by force of circumstances rather than through legislative action. In this instance one is reminded of Britain, whose automobiles generally appear stunted by comparison with our own. It was not by choice that Britain concentrated on the production of small cars, but rather to escape a horsepower tax that priced bigger machines out of the mass market."

The Financial Post

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November 3, 1951

LONDON CALLING—*By Adelphi*

Mr. Churchill's Uneasy Win—And What's to Come

Bold Measures to Meet Gathering Economic Storm – Then a New Election?

LONDON—There was only one election winner: Aneurin Bevan.

Another election in the New Year can be regarded as almost a certainty.

These stand out, glaring as danger signals, in the unpleasant post-election picture of a Britain once again divided down the middle politically, a picture of two Britains each as strong as the other and both of them determined not to get together in government.

The Conservative majority is not big enough for Churchill to carry out bold measures or indeed to ensure against defeat in the lobbies.

Unlike the Socialists, the Conservatives are nearly all men with professional or business activities quite outside politics and the Whips will be faced with an impossible task of trying to keep them in the House day and night. Churchill realizes this and it is for this reason I say that it can be regarded almost a certainty that there will be another election in the New Year.

Churchill is being advised to prepare a bold policy of reconstruction based on information which was never accessible to him in opposition and then ask the country for a mandate. It is understandable that his followers at this moment can hardly bear the thought of another election so soon but that mood will pass.

Quite frankly the Conservatives are stunned in their hour of victory realizing that the only difference now is that instead of the Socialists having to govern in a stalemate Parliament it is they who must do so.

I say that Bevan is the only winner because he violently opposed Attlee in the decision to go to the country and declared the Socialists would be beaten. He has proved right, and believe me a prophet is not without honor in politics.

What is more, the very existence of Bevan makes it impossible for Attlee and his friends to form a coalition with Churchill because that would split the Socialist party and hand the leadership and eventual premiership to Bevan.

Split Socialists

In a picture of such gloom I must say that the Tories are looking forward to the comedy of the Socialists trying to pretend they are a united opposition. There is no use denying that events have played largely into Bevan's hands. At this moment I do not doubt that Churchill is wrestling with his conscience over restoration of a dozen odd university seats which were done away with by the Socialists. It is true Churchill, in his election manifesto, declared that he would restore them but his friends are saying to him that the country did not give him a clear mandate to do so and that it would be denounced as a jerrymandering device to prop up the Tory majority.

In politics, as in every other human activity, you have to allow for the imponderables and no one as yet is in position to say how this new Parliament will face up to the astonishing situation which has emerged.

Churchill does not lack courage nor a sense of drama and I do not doubt that he and his ministers will take risks to secure spectacular successes if they can be humanly achieved.

Churchill has reason to believe Washington will do everything possible to help his administration and that the governments of the Commonwealth will be anxious to encourage the Conservative Government in Britain.

Nor do I rule out the possibility of a spectacular approach by Churchill to Stalin with the intention of bringing the rearmament race to a halt. When Attlee's government was returned last year it accepted stalemate so literally that there was not enough government business to keep party debates going.

Churchill will not take that line. He is almost certain to go full out in a dynamic attempt to restore British prestige and convince the people that things can be done even with a tiny majority.

Unfortunate Recess

It is unfortunate that the long Christmas recess is so near at hand. That recess is like closing a theatre for six weeks after a spectacular opening. Business may pick up later but it is a gamble. By the time new members are sworn in and a new speaker elected and Parliament has held its long debate on the King's speech in which endless members will regale the House with the speeches they made on the hustings there will only be about four weeks of real parliamentary business before the recess.

The Stock Exchange has taken the election result calmly. It was very optimistic a week ago about a Conservative sweep but in the last three days before voting there was a feeling that there would not be one.

Yet I think there are solid reasons for satisfaction if not for exuberance. The 10 Communist candidates polled so miserably in their specially selected working-class constituencies that all but two lost their deposits. Another reason for satisfaction is that after six years of the welfare state and endless propaganda to put class against class there are as many Conservative voters as there are Socialists.

Finally, if the Liberal party has died it may, on its death bed, have given birth to the Liberal-Conservative party of the future.

Certainly the result is a deep disappointment to Conservatives but if we take the long view it might yet prove true that it was better not to have a swing just now for the simple reason that the further the pendulum swings one way the further it will travel on its return journey.

Here Are Facts of New U. K. Crisis

What is the nature, size and extent of this new and acute economic crisis facing Britain today? How do the problems Mr. Churchill's government must overcome differ from those which confronted their predecessors? How much of the present difficulty can be attributed to six years of Socialist rule and experiment? And how does all this affect Canada?

Fact: the crisis is a continuation of—and perhaps climax to—the trade troubles that have beset Britain since the war — which cost her so much in lost dollar-earning investment.

Stated in its simplest terms Britain again is in a situation where outgoings for imports are running dangerously ahead of earnings on exports. But the problem goes much deeper than this.

Other Factors

Superimposed on this basic problem (which, it's estimated will add up by year's end to an over-all balance-of-payments deficit of $600 million to $750 millions) are:

1. Inflation at home and abroad.
2. The burden of rearmament.
3. The threat of further devaluation of the pound sterling (free market quotations are currently some 15% to 18% below the official rate).
4. Lagging production in nationalized basic industries: coal, power, gas.

How did this current situation arise?

Deterioration in the British balance of payments situation has come sharply. As recently as November, 1950, the official British Government line on the nation's economic condition was that "1950 had seen the turn of the economic tide against her."

Yet today she faces a situation in which her deficit on balance of payments, in over-all terms, is much worse than she was experiencing in 1948 ($440 millions) and 1949 ($80 millions). In respect of the dollar area alone, she is approaching dangerously close to that experienced in 1949 when the total deficit in this area reached $1,080 millions (Britain was then still in receipt of Marshall aid).

Some comparisons between the trade picture today with that in the devaluation year and for 1950 quickly bring the fiscal facts into focus.

At the end of 1949, Britain had a deficit of £303 millions in the dollar area but an over-all surplus on balance of payments of £30 millions. For this year, official estimates put the over-all situation as one of deficit likely to reach £200-250 millions of which the dollar deficit will total £100-150 millions.

Thus, not only is Britain slipping deeper and deeper into a debtor position with the dollar area but for the first time since 1946 finds herself in a debtor position with the sterling area.

The gloomy trade picture facing Mr. Churchill therefore is one of both sterling and dollar crisis.

Price Inflation

Cause of this crisis may be found in part in the way in which prices of the goods Britain must import have risen far more sharply since October, 1949, than the prices she has received for her exports.

Import prices of raw materials, for example, had risen by June to a level 76% above 1950 as a whole. In the same period, however, prices Britain received for her exports as a whole rose only 20%. Though import prices have since levelled off none of the earlier slack has been taken up by any appreciable increases in export prices. The most that Britain can hope for, the second half, in higher prices for her exports is put at 7½%.

Those are the fiscal facts of the situation.

Need the impact have been so severe on the British economy? Not necessarily, says The Economist, of London, which suggests:

> "The depletion of stocks of raw materials and foodstuffs which occurred throughout 1950 —and which contributed markedly toward last year's favorable balance of payments—involved restocking in the early part of this year when commodity prices were at their peak . . . The country now sees the true cost of last year's over-addiction to the building up of gold and dollar reserves and the comparative neglect of raw materials supplies."

To this extent then it can be argued that Mr. Churchill inherits a problem to which Socialist mismanagement gave birth.

The Economist goes on to argue that "the answer must be sought in a policy capable of giving real aid to the export drive."

The Export Prospects

An examination of Britain's export position in light of the rearmament program and domestic inflation gives no easy assurance that this solution can be worked out.

For one thing the very industries which must feed the rearmament drive — metals, engineering products — are those which account for 50% of Britain's total export trade. With a world shortage of strategic materials to supply these industries, there is little hope for improvement in this direction. In the first half of 1951, exports of goods produced by these industries were down in volume on 1950 totals; iron and steel manufactures by 4%; non-ferrous metals products by 14%. While vehicles and machinery groups showed increases over 1950 these are the very industries into which defense demands are now biting deepest.

In other industries, ability to increase exports is not regarded optimistically.

Production Problems

Their position might be improved with an improvement in output by the nationalized industries.

Serious is the situation in coal —in Britain, as much the key to industrial output as hydro-electric power is here. The position: coal is scarce, expensive, poor in quality. Output is increasing by a mere 3% a year while rate of demand is going up by 4%. Productivity is low; the four-day week is common.

In electric power, largely dependent on coal, generating capacity is being increased by 7% a year as against an increase in demand of 10%.

Gas output is down on account of poor-quality coal.

Deficits in Detail

In the over-all picture, these components in the balance-of-payments picture serve to point up the detailed difficulties Britain now faces:

Deficit with the United States is currently running at around $40 millions a month as against $27 millions in 1950 although the position with Canada is slightly better than in 1950 ($10.5 millions a month as against $12.6 millions in 1950).

With the whole of the Western Hemisphere, the average monthly deficit today is running at $71.1 millions as against $57.9 millions in 1950.

For the sterling area as a whole, the deficit for the first half was $60 millions as against a surplus of $13.8 millions in the whole of 1950.

For Western Europe monthly deficits were running at $60 millions a month as against $16.5 millions in 1950.

Imports by Britain in the second quarter this year hit the largest total in volume ever recorded since the end of the war. In dollar terms the total of imports for the first half at $5,600 millions was close to the total for the full year 1950 of $7,800 millions and a full $2,000 millions more than for the first half of 1950. Volume of imports was up 11%; real consumption of these goods up 5%.

Notes The Economist on this domestic inflation:

> "The conclusion can hardly be escaped: personal expenditure has not been kept sufficiently under control to stem a high flow of imports and to stimulate a better flow of exports. It is clear that success in solving the trade problem rests on the curtailment of home consumption."

All in all, the problem facing Mr. Churchill may be summed up as: How to increase exports by the 20% estimated as needed to bring trade into balance (or cutting imports by a like amount).

To achieve this means one of four things:

—Cutting down on rearmament.

—Whittling down severely on an already low standard of living for the British people.

—Providing incentives that will induce the British people to work harder than ever before to protect their living standards.

—Seeking new dollar aid from the U. S. (and/or Canada) and thus putting Britain deeper into debt dollarwise.

Thus, Mr. Churchill faces no easy task. Especially in light of a slim majority which, as Adelphi observes, puts the curb of political expediency on any bold measures that seem essential to meet the crisis.

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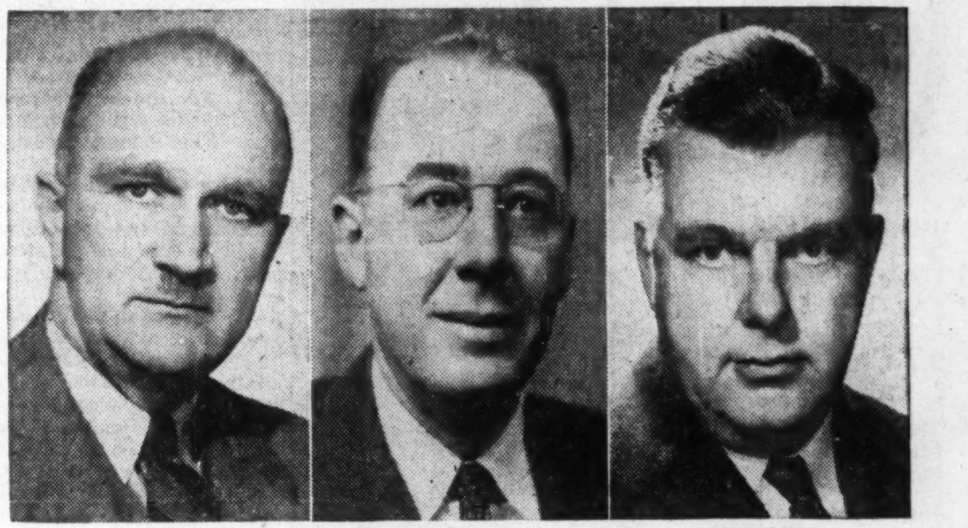

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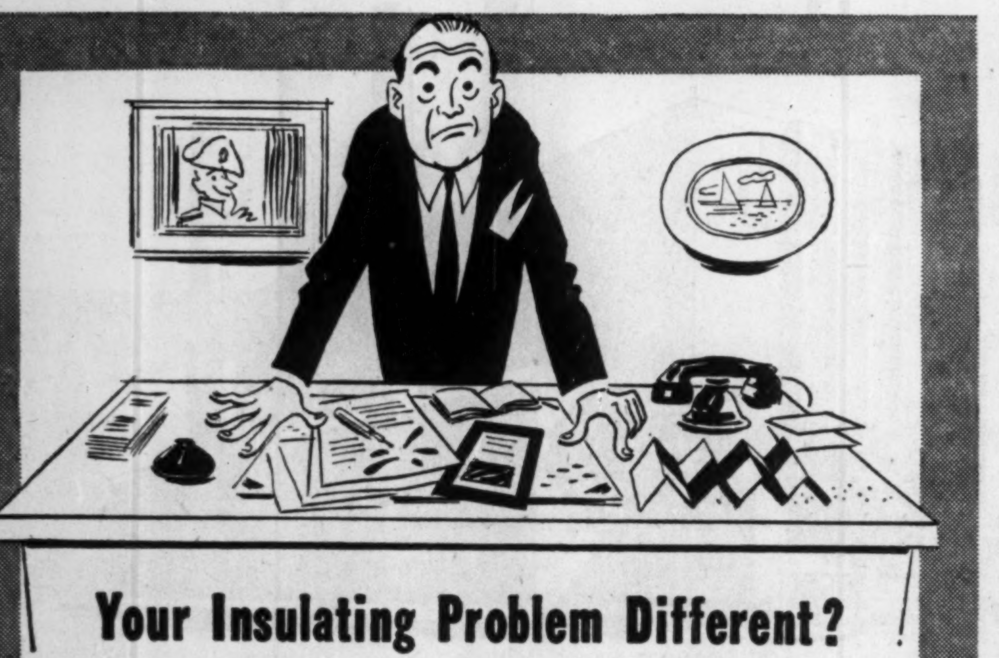

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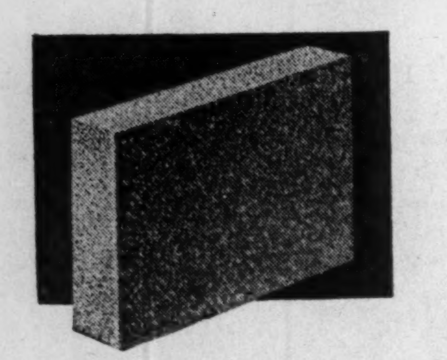

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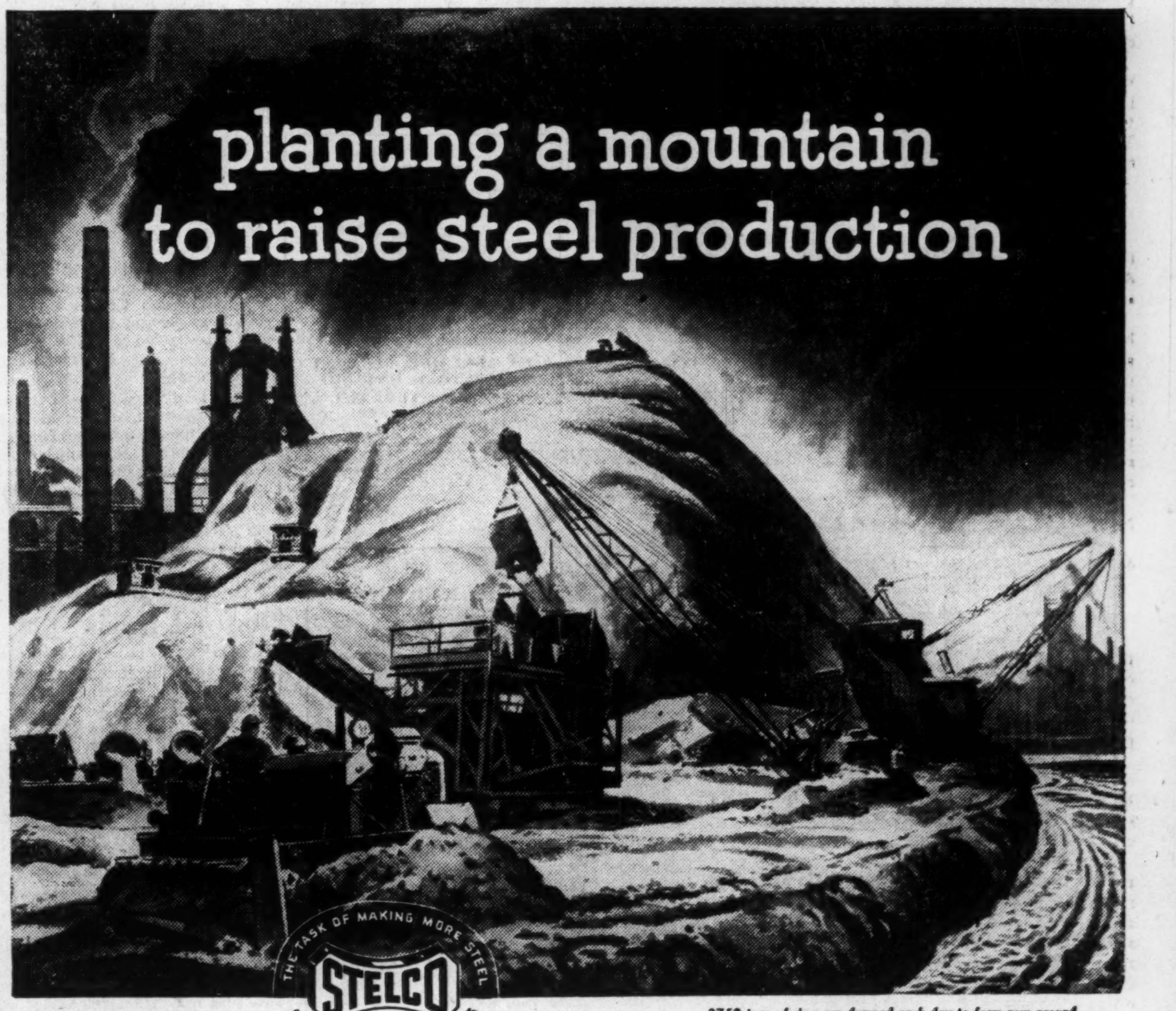

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to raise steel production

THE TASK OF MAKING MORE STEEL
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3750 tons of slag are dumped each day to form new ground for dock and storage facilities at Stelco's Hamilton Works.

Facts about
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If you have ever visited Hamilton, Ontario, you will remember "The Mountain", which rises picturesquely behind the city. Today, there is another man-made "mountain" rising up from the Hamilton waterfront. It is a mountain that grows larger every day as an army of dump trucks plant load upon load of slag from Stelco's blast furnaces.

The curious thing about this mountain is that while it now towers high in the air, it is designed to settle gradually to form a firm foundation for new Stelco dock and ore storage facilities. 35 acres of new "land" will thus be created for greatly expanded steelmaking operations.

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Steps and Snags in Nfld. Program

Steel Mill Tops Latest List of Development Prospects

By RUPERT JACKSON

ST. JOHN'S—Newfoundland's development program keeps on rolling along. Latest developments:

1. Negotiations opened for the establishment of:
   - (a) Steel mill,
   - (b) furniture factory,
   - (c) velvet and flannelette textile mill,
   - (d) shoe factory,
   - (e) machine tool factory,
   - (f) chemical industry,
   - (g) lead piping plant,
   - (h) glass factory,
   - (i) aluminum goods factory.
2. Two plants in operation:
   - (a) cement,
   - (b) birch veneer.
3. Five plants in varying stages of construction:
   - (a) Gypsum wallboard, plaster and lath,
   - (b) leather tannery,
   - (c) leather goods,
   - (d) textile (cotton),
   - (e) heavy machinery.

But it's not all sugar and cream. An unexpected snag has come up in relation to the newly formed Labrador Timber Utilization Co., (Latuco) postponing its Labrador logging operations for a season at least.

Steel Mill Prospects

Biggest deal of all this, if negotiations are successful, will be the establishment of a steel mill. Discussions in this connection have been going on for some time (The Financial Post, June 2).

Under present plans, The Financial Post understands, site for the plant will be on Bell Island on the east coast of the province, at the Wabana iron ore deposit.

Cost of the mill has not yet been established, but unofficial guesstimates put it at $25 millions.

Arrangements have been made between the Newfoundland Government and Dominion Steel & Coal Corporation to have Dosco supply the plant with raw iron ore from the Wabana deposit, and coal from North Sydney. The coal will be transported from the mines to Bell Island in empty iron ore carriers going to Bell Island to pick up iron ore for the Dosco plant at Sydney.

Other raw materials of fluorspar, limestone, chromite and so on will all come from known deposits of these minerals in Newfoundland. Fluorspar and limestone are already mined here.

Initial employment of the mill will be 1,000 men.

Premier Joseph R. Smallwood said in announcing the negotiations, "this will be our most important industry and probably the largest."

Other industries now being negotiated are on a much smaller scale, and costs, etc., have not yet been discussed.

After European Visit

All these new prospects in Newfoundland's industrial development came as a result of a recent visit to Europe by Premier J. R. Smallwood, Attorney General Leslie R. Curtis, and Director General of Economic Development, Dr. Alfred A. Valdmanis. The visit began in September and ended late last month.

As with the 10 new industries already signed up as part of the development program as already reported from time to time in The Financial Post, most of these new European concerns have no dollar capital, and so far all of them have been aided in moving to Newfoundland by loans from the Newfoundland Government.

In this connection it is estimated that $30 millions of dollar investment has been promoted in this way since the economic development program began, including the $7 millions paid out for the construction of the government-owned cement, birch and gypsum plants.

Start Production

First tangible results of this program were seen last month as the cement and birch mills started initial production. Of these, the cement plant was built for the Newfoundland Government by the German firm of Miag Ltd., at a reported cost of $3.1 millions. A Crown corporation, the North Star Cement Co., has been formed to run the plant for the government. Present installed capacity of the mill is 600,000 bags annually, and the company states it has more than enough orders to take care of double that production. The mill will employ 150 men.

The birch plant was built for the government by Newfoundland Hardwoods Ltd. at a cost of $1 million. Plant will employ 300 men and turn out birch veneer, doors, flooring and plywood. An additional 1,000 men will be given employment in various sections of the province cutting timber for the mill.

At the same time negotiations are now under way with unnamed European interests for the establishment of a second similar plant in the province. Government surveys report there is plenty of healthy birch available in the province to provide raw wood for both mills. Full figures on the stands are not yet available, however.

Under Construction

Of the five plants now under construction, nearest to completion is the $2.5 millions gypsum plasterboard, plaster and lath plant, scheduled to start production this month. The leather goods plant will be next. The leather tannery, cotton textile and heavy machinery plants have just begun construction, but should be in initial production in 1952.

Of these three the biggest is the heavy machinery plant, costing $5 millions. Incorporated in Newfoundland, the Canadian Industry & Construction Co., is a Swiss company, coming to Newfoundland with the aid of a $2.5 millions loan from the Newfoundland Government.

This loan is similar to those granted other companies moving into Newfoundland from Europe. The companies are formed here, bringing in equipment and know-how. Dollar capital is raised by floating a bond issue, with the government guaranteeing the bonds. The bond issue is floated by the company itself.

Canadian Industry & Construction Co. has now begun construction on a 50 acre plot of land near Donavan's, about seven miles outside St. John's. It is scheduled to begin initial production of heavy crushing, drilling and similar machinery by July 1, 1952, and will employ 500 men. Within two years, says Premier Smallwood, the plant will be complete in all its phases and will employ 5,000 men. It will then be in a position to turn out complete factories of heavy machinery of all types.

Commenting on the mill, Premier Smallwood said, "It will be undoubtedly one of the largest machinery plants in Canada."

Two other industries not mentioned above but contracted for and due to start construction shortly are an oil hardening plant at Harbor Grace costing $5 millions and a fur processing and dyeing plant at St. John's costing 1.5 million. Both these come from Europe.

Latuco's Position

The big snag in the development program came last month with the announcement that the Labrador Timber Utilization Co. had been forced to postpone operations in Labrador for at least this season. Latuco, headed by German Dr. Arthur Seigheim, signed an agreement with the Newfoundland Government last June to cut 200,000 cords of timber in Labrador annually at a royalty of $5 per cord. (The Financial Post, June 23, Aug. 11)

It had been planned to begin two Labrador timber concessions this summer and autumn, but plans were postponed following receipt of a report of an advance party that shipping problems were most difficult. (This was predicted by The Financial Post).

It is considered essential by Latuco officials that shipping facilities capable of handling eight to 10 ships at a time be available in Labrador to make the scheme a profitable one during the short (5-6 months) shipping season.

Meanwhile, this week, a second investigation of the area on behalf of Latuco was scheduled to get under way. Whether or not this will put a different light on the matter is still unknown. Meanwhile, because of the unfavorable report issued by the first party, the West German Government is withholding dollar exchange from the Seigheim operation, pending the second report.

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Consumers' Gas To Split Stock 10-for-1 Basis

Shares of Consumers' Gas Co. of Toronto will be split on a 10-for-1 basis, if shareholders approve at the annual meeting Nov. 19. There will be no change in the dividend provisions which are governed by provincial law. Capital stock now outstanding is $14,555,200 divided into 145,552 shares of $100 par. After split, outstanding shares will number 1,455,520 of $10 par.

"The change is in accord with the times," vice-president and general manager E. J. Tucker states. "There are now very few stocks actively traded which are of $100 par value."

"Many of our shareholders in the past have paid $200 and more per share. Such prices tend to keep smaller investors from buying. We have, as a matter of fact, quite a number of shareholders owning one, two and three shares, but it is hoped by reducing the par value to $10 materially to increase and widen the appeal of the shares of the company among small investors."

The shares have moved in a price range of $140 to $165¼ this year, lately selling near the low at around $142½. Dividends at the rate of 8% on par value annually have been paid regularly since the rate was reduced from 10% in April, 1941.

PENN-COBALT SILVER MINES has received payment covering the Oct. 22 option installment, comprising 50,000 shares at 30c a share, under agreement with Torny Financial Corp. Issued capital is 2,900,005 shares, leaving 99,995 shares in the treasury.

QUEBEC CHIBOUGAMAU GOLDFIELDS reports J. E. Des Rosiers Inc. has not exercised the Oct. 23 option installment comprising 150,000 shares at 30c a share and the balance of the agreement has been terminated.

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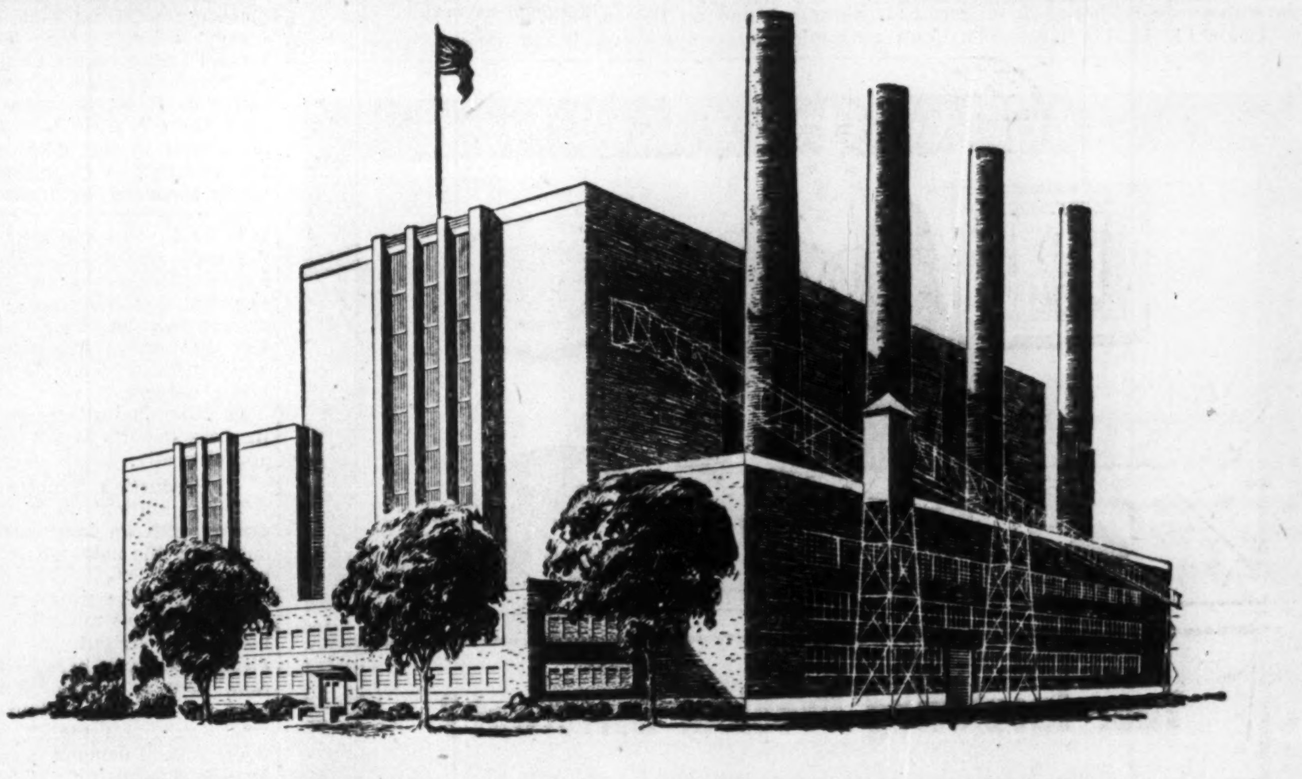

Hydro's Richard L. Hearn Generating Station goes into operation at Toronto

The opening of the Richard L. Hearn Generating Station on October 26th, by the Honourable Leslie M. Frost, Prime Minister of Ontario, is another step in your Hydro's expansion program to add over 2,500,000 horsepower by 1955.

The first two units in the new station will supply 188,000 kilowatts (252,000 horsepower). The largest of its kind in Canada, this station will be used to maintain a complete continuity of service by providing reserve power to meet the heavy demand occuring when industry, the home and the farm simultaneously put electricity to its greatest use.

The initial four units will have an ultimate capacity of 400,000 kilowatts (536,000 horsepower) and provision has been made to increase the capacity of the plant to 600,000 kilowatts (800,000 horsepower) if circumstances demand an extension of steam generating facilities.

On this occasion, the Commission extends its thanks to the engineers, to labour and suppliers who made possible the completion of the Richard L. Hearn Generating Station on schedule.

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Province of New Brunswick	3¼%	1963	4.38%
British Columbia Electric Co. Limited "Series E"	3½%	1975	4.07%
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Gutta Percha & Rubber Limited	5%	1966	5.00%
Dominion Foils (Canada) Ltd. "Series B"	5%	1962	5.18%
Canadian Chemical Company Limited	5¼%	1971	5.25%
Canadian Oil Companies Limited	5%	Preferred	5.00%
British Columbia Electric Co. Limited	4¾%	Preferred	5.11%
Power Corporation of Canada Limited	Cumulative 6%	Preferred	5.37%
Canadian Celanese Limited	$2.40	Common	4.52%
Bathurst Power & Paper Co. Ltd.	$3.00	Class "A"	5.55%
Power Corporation of Canada Limited	$1.60	Common	5.71%

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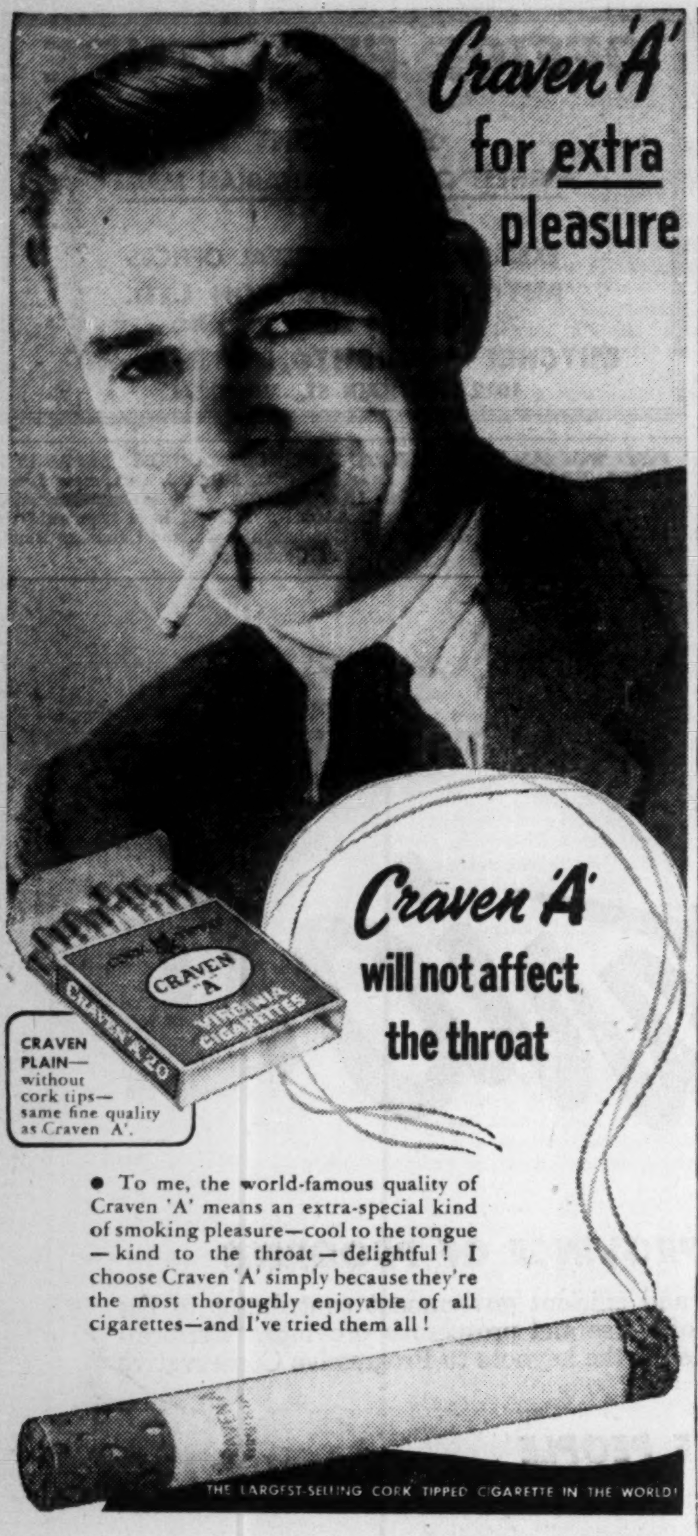

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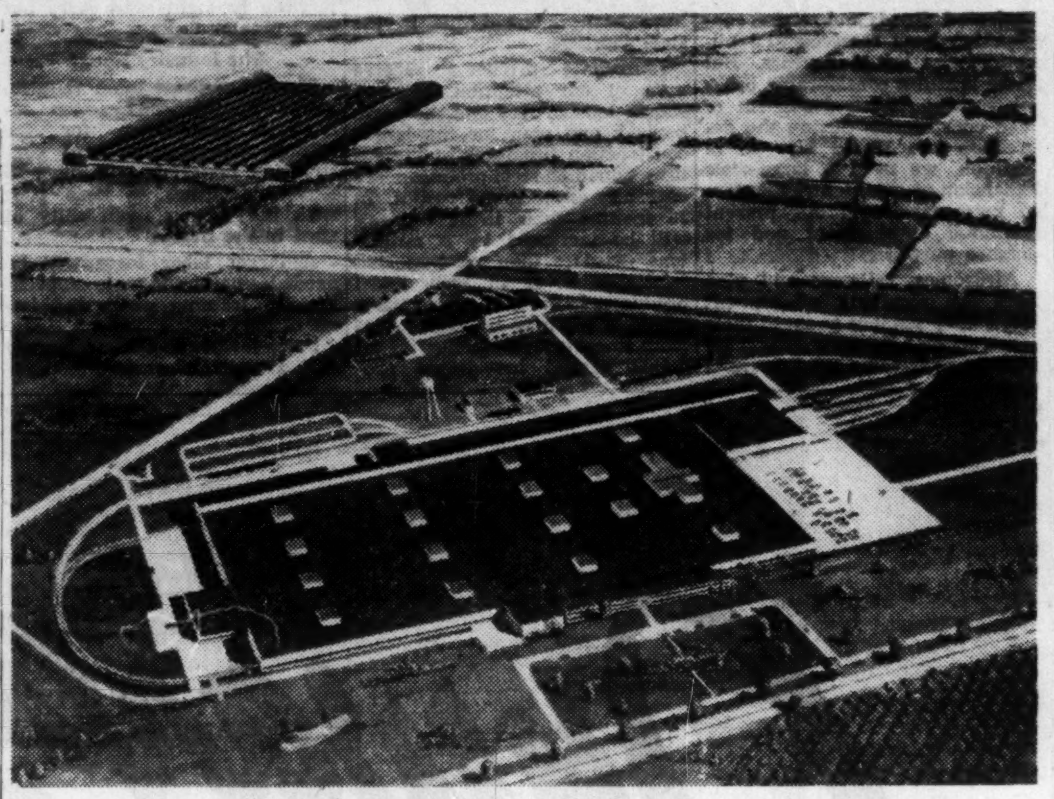
Ford's Faith in Canada's Future

Will Put 32.5 Acres Under One Roof For Assembly Plant



This modern, single-story plant (foreground) will sprawl for 32½ acres — equal to a section of downtown Toronto bounded by Bay and Victoria Streets and Dundas and Queen — under a single roof to become Canada's largest industrial building. Ford's present huge, 13-acre assembly plant at Windsor (upper left) is dwarfed by the projected plant. The new plant will mushroom on what is now farmland midway between Toronto and Hamilton south of the Queen Elizabeth Way.

Making big industrial news this week is Ford Motor Co. of Canada's plans for a sprawling multi-million-dollar 32½ acre plant at Oakville, Ont. and continued expansion at Windsor.

The Oakville site is already being cleared, construction will start early next year. With 1.4 million square feet of floor space, the new plant will be the largest industrial building under one roof in Canada. At capacity production, it will employ 4,000-5,000 workers.

Why choose Oakville? Why a monster assembly plant more than 200 miles from Windsor, long-standing base of operations and where foundry, machine shop and engine production facilities will be expanded?

Here are the reasons behind the choice, as given by Ford President Rhys M. Sale:

"Our choice of a site in the Toronto area for assembly of our vehicles is simply a matter of moving closer to the bulk market for motor vehicles in Canada.

"At present, only 3% of our total output of passenger cars and trucks is absorbed in what might be called our local territory—the city of Windsor and the county of Essex. This means that 97 of every 100 vehicles we build for the Canadian market must be moved long distances from Windsor to the eventual buyers.

"On the other hand the city of Toronto alone, on the basis of 1950 registration of new vehicles, accounts for 14% of all cars and trucks sold in Canada. An additional 22% are marketed within a radius of 200 miles from Toronto, and another 25% are sold in Quebec and the Maritimes.

"By establishing our assembly plant at Oakville, we are moving better than 200 miles nearer to the principal automotive markets. At least one in every five vehicles we build will be delivered to customers living within 25 miles of our plant. We will be at least 200 miles nearer to our customers in the entire area north and east of Toronto as well as to those in Quebec and the Maritimes.

"The advantages of being close to our bulk markets far outweigh any disadvantages arising out of separation of our manufacturing and assembly operations."

Program for Windsor

Mr. Sale stressed that establishment of the Oakville assembly plant doesn't mean that Ford is "pulling out of Windsor." The company will convert its existing assembly building (plant No. 4) at Windsor into one of the largest and best-equipped engine plants in the automotive industry and will "spend several million" to expand its Windsor machine shop and foundry facilities.

He said the Oakville assembly plant and the Windsor engine plant are key projects in a "huge, long-term program of expansion." Expenditure, spread over several years is expected to be divided equally between Oakville and Windsor. Under construction now is a $6.5 million addition to the firm's power house at Windsor, expected to be in operation next year.

Other facets of the long-term program: Parts and accessories depots at Montreal and Regina "when conditions permit." (A large depot was opened in Toronto in 1948 and another of the same type is being put into operation in Winnipeg within the next few weeks.)

Once Ford determined it wanted its assembly plant adjacent to bulk markets, a survey of land in the whole Toronto area was made and Oakville got the nod.

"It offers a host of advantages for our purposes, such as spaciousness, rail services, power availability, and the fact that trunk highways give us swift and adequate access to Toronto and the surrounding districts," says Rhys Sale. "We also were impressed by the desirability of locating near such a pleasant and enterprising community as Oakville."

The New Plant

The 32½-acre plant will be one-story, of masonry construction; several auxiliary buildings will adjoin it. It will face the four-lane Toronto-Hamilton Queen Elizabeth Highway and with its service areas take up about half the 420 acres of farmland bought by the company last June, lying between the 8th and 9th lines of Trafalgar township and bounded by the Queen Elizabeth Way on the north and the C.N.R.

Floor space in the new building will equal the combined area of the two largest plants at Windsor, plants 2 and 4; all Ford Windsor plants have an aggregate floor area of some 59 acres.

Windsor expansion in the overall program will not entail major construction. A greater part of planned expenditures will be poured into new equipment, hundreds of new machines for the engine plant.

In a company statement coincident with the detailed announcement of expansion plans Ford says in the 47 years it has been in business in Canada, 2.6 million passenger cars and trucks have been produced, leading the automotive industry here.

"Prior to 1940 it was not uncommon to export as much as 45% of our annual output, and we feel we have made a substantial contribution toward building Canada's foreign trade. However, this business has dwindled since the end of the war, because of the world currency situation and consequent import restrictions, and we are now more dependent than ever upon our markets in Canada.

"Competitive and economic considerations have dictated some decentralization of our operations, if we are to make full use of our opportunities in the Canadian market."

The program is also premised on an abounding faith in Canada's economic future. On that Mr. Sale has this to say:

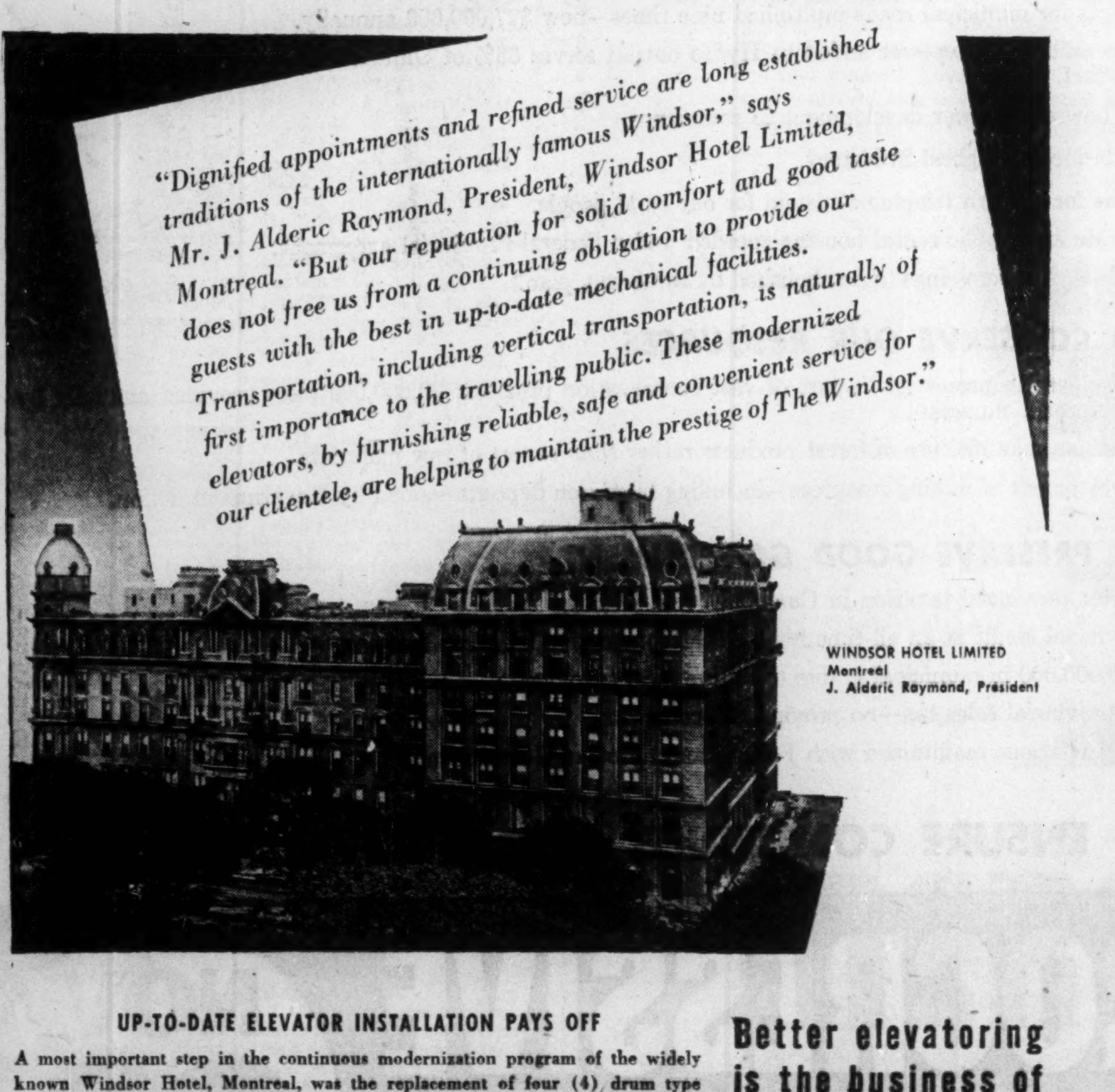
"The industrial and agricultural developments of the past 10 years have been but a mere beginning. Canada has just begun to scratch the surface of vast, newly-discovered natural resources, such as iron in Labrador, oil in Western Canada, and uranium in the north. These factors, (and population growth) and the greater emphasis placed upon all types of motor transportation in an expanding economy, point unmistakably to ever-increasing demand for cars and trucks in the years ahead."

Ford of Canada came into being in 1904, with 17 employees and annual wages and salaries of $12,000. Today it has some 12,000 employees with wages and salaries in 1950 nearing $45 millions, and plant capacity to produce 117 vehicles—1904's total output—in less than three hours.

"We are confident our employment in Windsor will remain at a comparatively high level. Our long-range planning is founded on a program that requires a greater production than anything we have had in the past," says Mr. Sale.

"The Oakville plant is being built solely with a view to our future commercial needs. Should a major emergency face our country however, it and all other facilities of Ford of Canada would be placed wholly at the disposal of the nation."

No immediate effects of the expansion program in Windsor, other than preparatory, will be in evidence; building and assembling will continue until the Oakville plant is ready. Actual conversion of Plant 4 at Windsor into an engine plant can't start until the transfer of assembly operations is under way. It's expected that the switch-over won't begin for at least two years.



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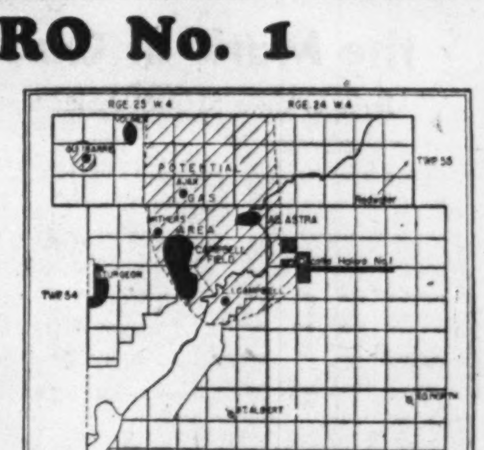
DECALTA STARTS 2nd WELL
DECALTA-HALCRO No. 1

Immediate drilling is slated for this well located less than 2 miles from a producer — Ad Astra #5A.

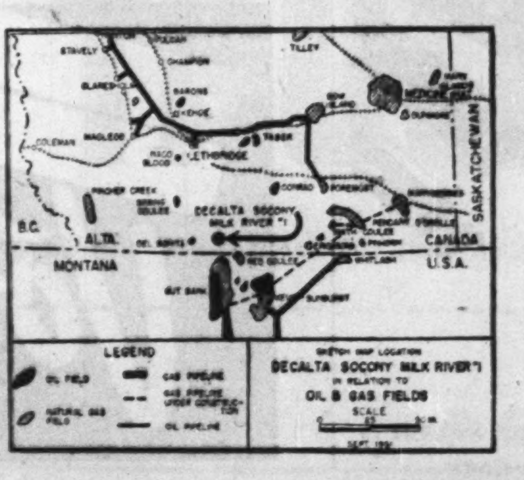
Decalta Oils has a 38% interest in this test well and in 560 surrounding acres by reason of its stock interest in Halcro Oils which is providing the land and drilling costs.

Possible productive horizons are the Viking sand-productive at Legal 18 miles North; the Sunburst zone of Lower Cretaceousage productive at Campbell and Ad Astra less than 2 miles N.W.; the D2-productive at Excelsior 8 miles North; the D3-productive at Redwater 20 miles N.E.



Oil is the main objective but the well is ideally located for gas export to the City of Edmonton.

DECALTA SOCONY MILK RIVER No. 1



This well is now drilling at 3300', preparatory to running tests of the Madison limestone. The formations are occurring as expected. To date, the Bow Island and Basal Blairmore sands have been tested, but proved unproductive.

Tests will now be made of the Madison limestone at 3400', which is the main objective of this test based on a seismic anomaly on the Madison. To date, over 50 million barrels of oil have been produced from this horizon at Kevin Sunburst, 30 miles southeast.

What's Ahead in Construction Field?

CCA President Looks at the Industry's Problems, Prospects

What's ahead for the construction industry? What will we be building in 1952? Here's a forecast contained in a recent address by Robert Drummond, president of the Canadian Construction Association, to the Winnipeg Builders' Exchange:

BY ROBERT DRUMMOND
President, Canadian Construction Assoc.

There are two phases to the Canadian construction industry's problem, the keeping up of the record program of vital projects while there is a crippling steel shortage, and the keeping pace with the discovery and development of our natural resources.

The steel shortage has been building up for years. The defense program coming at a time when industry is at full capacity, has made it acute. Other construction materials are in short supply too. The Government has tried to reduce the pressure by curtailing its non-defense construction and restricting the use of steel in non-essential work. It temporarily removed the second mortgage provisions from the National Housing Act. Deferred depreciation was established whereby depreciation on projects of a commercial or non-defense industrial nature would not be allowed for taxation purposes for four years. And the banking system curbed commercial loans.

But the volume of construction contracts awarded during the first nine months of 1951 amounted to $1.9 billion compared to $1.1 billion during the same period last year.

Where Steel Is Going

Much of Canadian steel production used in construction is currently going to defense or defense-supporting projects, and it is extremely difficult to get steel from the U. S. The steel shortage has made it difficult for those in the lighter types of construction to get new jobs as projects commenced prior to the steel restrictions are completed—particularly where essential construction has not been sufficient to take up the slack. Building tradesmen are unemployed in several centres at a time when the industry is ordinarily busy.

In this regard the Association suggested that some restrictions should be relaxed under special circumstances on worthwhile types of construction using small amounts of steel, in order to ease the hardship of particular communities. The Government seems to have planned issuing special permits allowing the use of steel for projects in the Maritimes and parts of the Prairies somewhat more leniently in some cases than elsewhere in Canada. Unfortunately, the recent development in U. S. steel supplies will delay such a procedure. The Association hopes some relief may be given in cases where only small quantities are required.

Armed services construction will reach its peak in 1952 and defense-supporting projects will likely continue at a high level. A large part of the total volume will be construction work in our basic industries. The Prairies are getting more of the armed forces construction work than Ontario and Quebec combined because of the rehabilitation of air stations.

With no substantial increase in steel production likely in Canada and the U. S. until the end of 1952, the general pattern of construction next year will be similar to that of 1951. Those firms which have specialized in commercial construction, schools, churches and similar types of buildings, will be limited in their non-priority work by the availability of steel.

House Building Outlook

Residential construction, normally over a third of the total volume of all construction, fell off in mid-summer. The liberalized credit arrangements recently announced will bolster housebuilding activity in 1952. However, it won't bring a flurry of new starts now. The carry-over into 1952 will be less than it was this year. And next spring the size of the housing program financed with N. H. A. credit for non-defense workers will depend considerably on the attitude of the private lending institutions.

The unwillingness of the mortgage companies to further increase their housing loans has affected the new starts in recent months. Even potential home-owners with sufficient capital for a down payment under the previous more stringent credit regulations were not able to arrange a N. H. A. loan. Under similar conditions in the U. S. several large insurance companies have increased funds available for housing loans. The Canadian situation is easing somewhat as well. If our private lending institutions are able to extend mortgage credit, 1952 will bring a large-scale housing program.

The housing shortage is not only a symptom of a growing population and past postponements but also of increasing prosperity. One out of every 10 Canadians is living in a post-war house or apartment. This testifies to the rise in purchasing power levels in Canada as well as to the ability of the industry to triple the production of dwelling units in a five year period. This remarkable achievement has not been exceeded by any other country. But recently, the Canadian housebuilding industry has not been working at even the reduced capacity brought about by the preparedness program's demands for construction workers and materials. Yet a large-scale volume of housing should be second only in priority to the prosecution of the defense program. The demand for new dwelling units—particularly in the low and medium cost brackets—should be met to the fullest possible extent.

Road-building is one type of construction which should not be neglected. Roads and related construction have received $1.5 billion in the last five years. But there is still a considerable backlog resulting from deferment of road construction during the depression and World War II. In addition, we need a large-scale expansion of our highway system to keep pace with our present economic development and for defense purposes.

Airdromes, railways and pipe lines are receiving government priorities assistance to speed their construction. However, roads do not. In fact, some road projects have been deferred due to the steel shortage.

Immediate problems receive most of our attention. But we should look to 1953 and the years beyond, and plan for the larger construction programs of the future. Canadian steel producers are currently expanding facilities. In 18 months their ingot capacity will be increased by a million tons — more than we imported from the U. S. in 1950. Steel producers in the U. S. are expanding too. We may be able to get more imports from them.

Our capital investment program, particularly in the development of basic industries, will lead to the establishment of secondary industries, new townsites and schools, hospitals, utilities, roads etc. The great development which lies ahead will both enable and require the construction industry to raise its sights and carry out even greater tasks.

The Industry Needs

There are three main requirements in the construction industry's preparation for the future. The producers of construction materials will have to expand facilities to keep pace with the greater availability of steel in the future.

A larger labor force will be needed—more adequate apprenticeship training plans and immigration.

Price levels must be such as to still attract investment in construction. Our industry's welfare depends upon our ability to keep construction costs at reasonable levels. The Government can do much through its anti-inflationary policies. Industry, however, also has an important responsibility. We can curtail price increases and at the same time meet increased demands by decreasing unit costs through greater productivity. This we can do by developing more efficient methods, raising the standards of skill and providing labor-saving equipment. (Nine tenths of all costs are labor costs.)

Employees have an important role in bringing about a reduction in unit costs and an increase in the standard of living. So employees may see the benefits of higher productivity, there may be a place in the construction industry for wage-incentive systems.

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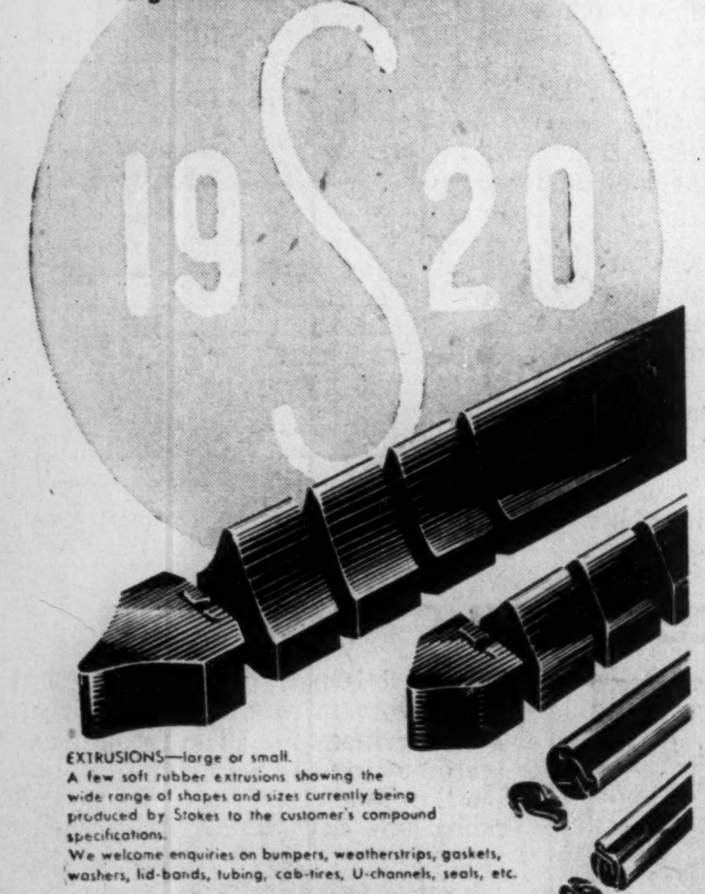

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- St. Lawrence power development to commence.
- Farm income highest in history.
- Plans for modern telephone system for our rural people.
- Private and public rental housing speeded under Federal-Provincial agreement.
- Railway level crossings to be abolished by three-way plan.

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- Forest wealth preserved as part of vast conservation program. 20,000,000 trees provided annually by Government nurseries.
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LABOR ROUNDUP

By RONALD WILLIAMS

Labor Income Soaring to New Record On Strength of Higher Pay, More Jobs

The upbeat tempo of Canada's economy was clearly reflected this week in Bureau of Statistics report on labor income.

In the first seven months, earnings advanced almost $1 billion over 1950 to a thumping $5.5 billion.

This healthy increase stemmed from both higher wages and higher employment.

But the higher wages wasn't all gravy. There was 13.7 point jump in the C-O-L index in the same period.

Latest Labor Gazette (Sept.) says real weekly wages in manufacturing were lower at June 1 than Jan. 1., despite an increase in take-home pay.

At Jan. 1, index of real weekly wages stood at 112.4; June 1: 108.8. In same period, take-home pay rose from $46.87 to $48.40.

Over 12 months, the wage earner didn't do any better either, according to the Labor Department's figures. Average weekly wages went up about $5; purchasing power rose fractionally: index advanced from 108.7 to 108.8.

Since June 1, weekly pay rates have gone up to $51. But the C-O-L index has gone up another 7.9 points. The next report is expected to show a still further drop in real wages.

The Department of Labor computes "real wages" by dividing the C-O-L index into the index of average weekly earnings, after both have been adjusted to a similar base period (1946=100).

The huge increase in labor income is spread across all industrial groups:

Manufacturing: $1.9 billion (for seven months) against $1.5 billion last year

Utilities, transportation, communication: $1.4 billion ($1.2 billion)

Finance and Services, government: $1.2 billion ($1 billion)

Agriculture, forestry, fishing, trapping mining: $436 millions ($331 millions)

Construction: $377 millions ($320 millions.)

* * *

Pension Reopeners?

Reopening clauses in wage contracts are now pretty general. But pension agreements, once signed, have been held to original terms. Now it looks as if the thin edge of the wedge has been inserted to open pension contracts as well.

In its latest contract with CIO Electrical Workers (IUE) in the United States, General Electric agrees to let the union reopen on pensions. The contract doesn't say how often, but presumably it will be every year.

At present, most contracts call for a look at pensions every five years. No one will be very surprised if other unions try to follow the G. E. lead.

So far, there's been no talk of pension reopening in Canada. But there may be later. The postwar Canadian pension drive was a year or so behind the U. S. Most agreements still have a year or two to run before the first five-year look can be taken.

On wages, the new G. E.-IUE contract provides for a modest 2½% increase (3½c minimum), raises the cost-of-living escalator ratio from 1c for every 1.14 points to 1 for 1. New contract can also be reopened March 15 on wages.

Despite the settlement, G. E.'s labor troubles are far from over. G. E., Westinghouse and other electrical manufacturers are caught in the middle of a fight to the death between IUE and the Communist-run electrical union (JE)

G. E. now has to settle with the Red-led outfit. It may be difficult. UE has already scoffed at IUE settlement, branding it a "sellout." UE will hold out for considerably more to prove to G. E. workers that it can do the best job.

The betting is that UE will settle for what IUE got. They can't risk a strike at this time.

* * *

1951 Strike Cost

Despite a substantial drop in working time lost, Canada had 39 more strikes in the first nine months of 1951 than in the same period last year. This seeming contradiction is due to last year's great railway strike which caused almost as much lost time as all other strikes put together. Eliminate that and the 1951 strike record looks far worse.

Figures for the first nine months:

199 strikes (130 last year)
65,096 strikers (166,601)
667,622 working days lost (1.3 million)

At the beginning of September, there were 13 strikes all across the country. Based on the non-agricultural working force, time lost in September amounted to 0.12% against 0.25% in August; 0.04 in September, 1950. For the nine month period, 0.09% against 0.17% last year.

* * *

B.C. Reds Split

Communists don't often disagree in public. It isn't healthy, at least in countries where the Reds rule. Maybe that's why Communists Bill White and Bill Stewart, president and secretary respectively, of the Vancouver Marine Workers and Boilermakers union, felt they could air their differences in public.

White wanted to take the British Columbia Labor Relations Board to court over the latter's decertification of the Boilermakers union in 10 Vancouver shipyards. (Labor Roundup, Oct. 20.) White, despite his Communist affiliations, has the support of the CCL-CIO unions.

Stewart wants to stay away from the courts because he thinks it can only lead to more and more court interference in union affairs.

This week, it looked as if White had won. The B. C. Supreme Court will hear the case Oct. 30. But White couldn't claim a clear victory over Stewart. The decision to go to court was only carried by 10 votes. From an anti-Communist viewpoint, it's probably the best thing that could have happened. So far, anti-Reds have not been able to budge the Communist leadership in this key shipyard union. The split may be the opening the anti-Reds need.

* * *

The Party Line

In the last few years, an alert public aroused in most cases by newspapers or some public body, has put a crimp in Communist activity and representation on the municipal level. Reds have been voted out of just about all the civic offices they held . . . except in Winnipeg. For reasons few outsiders could understand, Winnipeg Reds managed to hang on.

Last week, Winnipeg got on the anti-Red bandwagon too. In the annual civic elections Communist Joe Forkin, an alderman for 16 years, was finally beaten. But only by a whisker. In the final count, under the city's proportional representation voting system, Forkin was beaten by only four votes. He could still make it if a recount is ordered and goes his way.

Forkin's defeat cut Communist representation on Winnipeg council in half. Still an alderman is Jacob Penner, veteran party official. He's been in office 17 years. He wasn't up for re-election this year. Next year, anti-Reds expect to put up the same sort of campaign which brought up Forkin's defeat last week. However, that campaign wasn't enough to beat Communist Joe Zuken who was re-elected school trustee at the head of the poll in Ward Three, the Communist stronghold.

Defeat of Forkin reduced left-wing forces in Winnipeg council to five: four CCF, one LPP.

* * *

Labor Briefs

A vote has been ordered at the Toronto store of the T. Eaton Co. to determine whether Local 1,000 CIO Department Store Employees Union should be certified. Decision was handed down last week by the Ontario Labor Relations Board and brings to a head three years of organization by the union. Date of the election is to be set this week. About 12,000 of Eaton's 16,000 Toronto employees will be eligible to vote.

* * *

Toronto streetcar and bus operators have asked for Conciliation on demands for 15c. an hour wage increase. AFL Street Railway Union also wants the 16c. cost-of-living bonus now being paid incorporated in base rates. Some 4,500 TTC employees are involved. TTC fares were recently raised from four to three tickets for 25c.

Building Plant To Produce Cellulose Film

MONTREAL (Staff) — A second company — TCF of Canada Ltd. — is entering the field of transparent cellulose film production in this country.

The new concern, controlled by Courtaulds Ltd., now has under way construction of a manufacuring plant at Cornwall, Ont. Hoped to be in production by spring of 1953, it will turn out transparent cellulose film and other packing materials, with an initial annual output of about seven million pounds.

This confirms earlier reports in The Post (July 7) that Courtaulds was preparing to invade this field. Up to now, the sole Canadian producer of transparent cellulose film has been Canadian Industries Ltd., which has held exclusive rights to the use of the trade name "Cellophane" for its product. Capacity of C-I-L's Shawinigan Falls Cellophane operations has been boosted several times since the war to keep pace with demand.

Majority shareholders of the newly-formed TCF of Canada will be Courtaulds Ltd., British parent company of Courtaulds (Canada) Ltd., a large primary rayon producer. The latter company will also be a shareholder.

The new company will be associated with British Cellophane Ltd., which will be another of its shareholders, it is stated.

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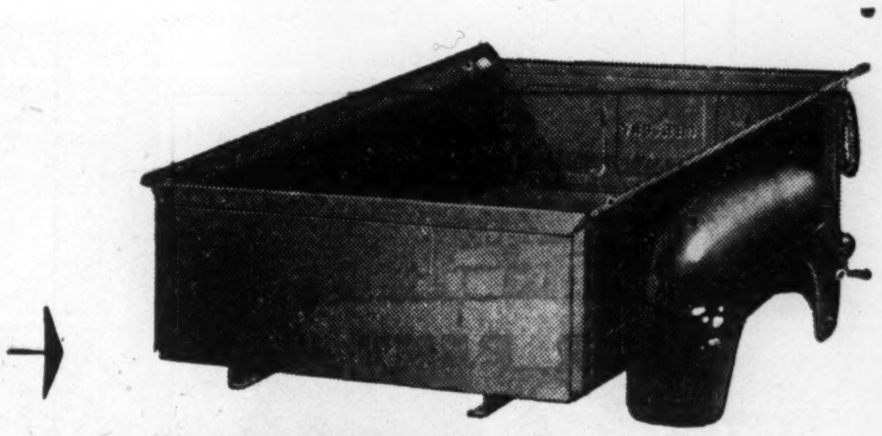

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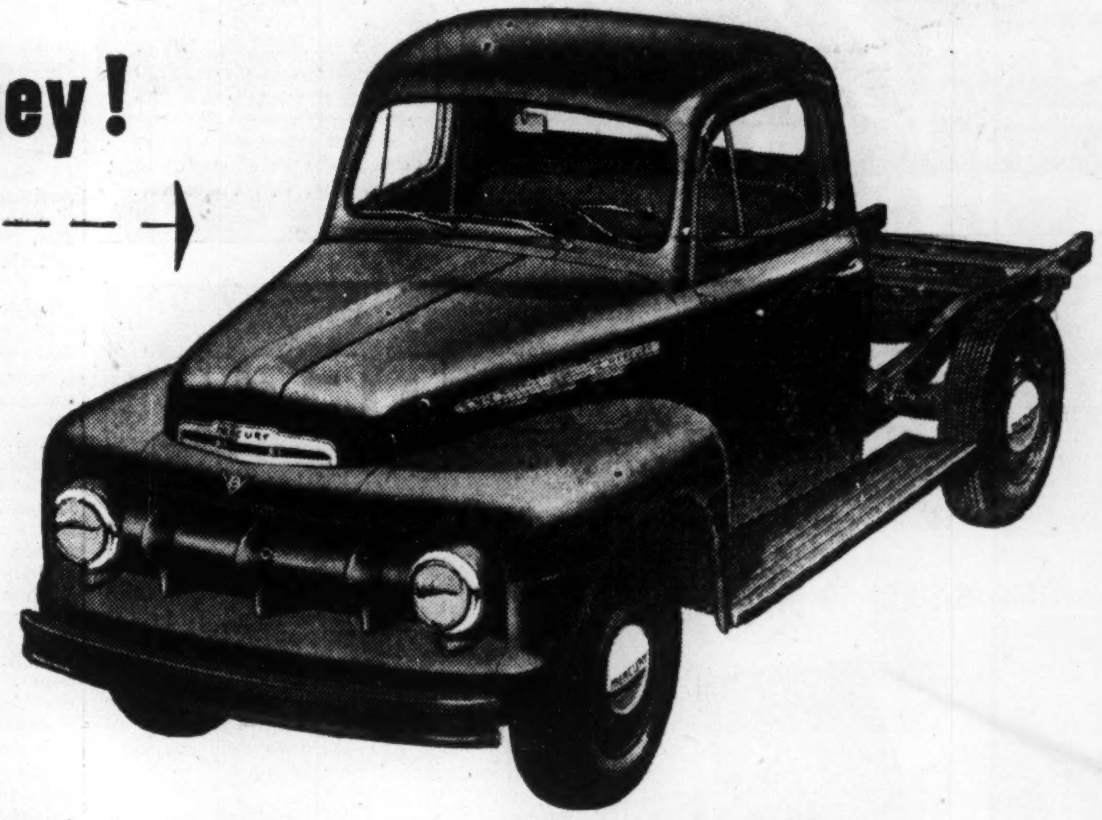

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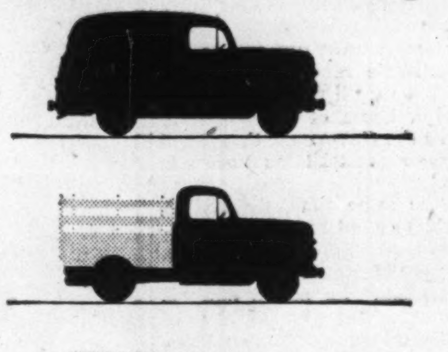

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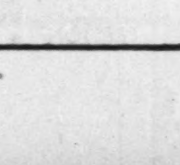

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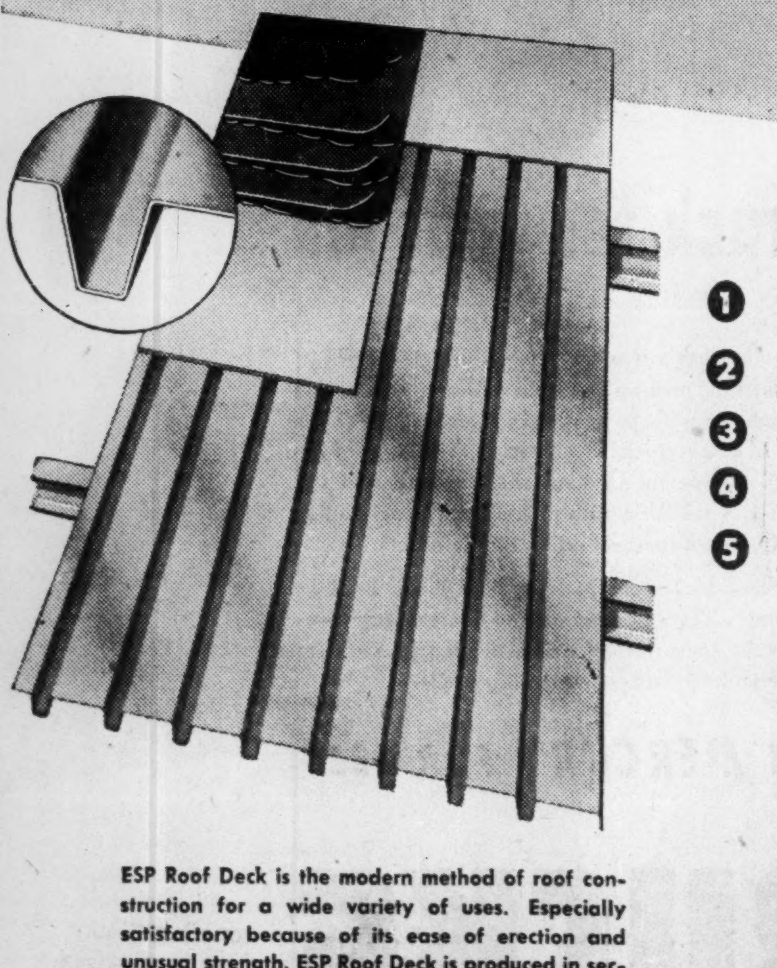

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CONSTRUCTION TRENDS

By JOHN CAULFIELD SMITH

Send Entire Quebec River Underground To Build Huge Manicouagan Power Dam

One of the biggest engineering problems of its kind in the world is being solved in Quebec province. It consists of diverting the entire Manicouagan River while the McCormick Dam of the Manicouagan Power Company is being built.

One of Canada's great rivers, the Manicouagan empties into the St. Lawrence at a point nine miles west of Baie Comeau. This town, located on the north shore, is about 250 miles downriver from Quebec City and 425 miles from Montreal. Seven Islands, important base for mining operations in Ungava and Labrador, lies 130 miles further east.

Because of its large watershed and relatively narrow outlet, the Manicouagan is a powerful and "flashy" river well suited for hydro-electric power development. The McCormick Dam, over 4,000 feet long, is being built at the head of the first falls. It will contain 10 large sluice gates and an auxiliary spillway to provide for the huge spring floods.

Arthur A. Schmon, president of Manicouagan Power Company, tells The Post that the main dam closure will be finished this winter. Meanwhile, the river flow will be handled by the unique unwatering tunnel. Nearly 1,800 ft. long and 35 ft. in diameter, it is being driven through solid granite. Some 400,000 cubic yards of rock have to be removed. After completion of the tunnel, a rock dam plug at the upper end will be blasted away and water will start pouring through.

RALPH C. KEAST

has been appointed vice-president in charge of engineering, Hayes Mfg. Co., Vancouver.

"The tunnel," comments Schmon, "has a novel feature in that it not only by-passes the river flow but also lowers the water pool immediately above the dam foundations and exposes a considerable portion of the rock foundation of the main dam. During the spring, summer and fall of 1952, the power house and intake will be constructed. The power house will contain two 45,000 horsepower generators."

Camps and construction plant buildings are now completed, there are 800 men on the job; peak may be 1,600. Construction contract is held by Angus W. Robertson Ltd., Montreal.

* * *

For Better Wiring

Canada's electrical industry announces formation of an organization to pep up the standards of residential wiring. To be known as The Canadian Adequate Wiring Bureau, it will function in the allied fields of education and promotion.

The Bureau is unique in that it is the first organization to combine all sections of the electrical industry at the national level. The premise that adequate residential wiring is everybody's business is borne out by the fact that manufacturers, utilities, electrical contractors and wholesalers and distributors are pooling their forces to make the program a success.

While it is not concerned with standards, as such, since authority in these matters is vested in provincial and municipal governments, the Bureau will establish specifications for adequate residential wiring as opposed to the minimum standards now in general use. Adoption of the "standards of adequacy" will be left to the discretion of builders, buyers and owners of homes. But it has been found that minimum standards are unsatisfactory for the efficient operation of the increasing amount of electrical equipment in daily domestic use.

Considerable progress has been made in Ontario, B. C. and Manitoba, where Electrical Service Leagues have been doing an educational job of this type for some years past. The Canadian Adequate Wiring Bureau plans to establish similar regional leagues in other parts of the country. Surveys in those areas where leagues have been operating prove that an adequately wired house commands a higher market value than one which is wired to a minimum standard.

Manager of The Canadian Adequate Wiring Bureau is David S. Catton, for several years, Assistant Manager and Director of Public Relations of the Canadian Paint, Varnish and Lacquer Association.

* * *

Easier Mortgages?

Easing by U. S. Congress of down payments on new houses—it now takes only $1,500 to acquire a $10,000 dwelling — is recognition that housing is part of the national defense effort, not a competitor of it.

Possibility of similar action in Canada, to reduce current down payments of $3,000 or $4,000 required on a $10,000 house here, is hailed by operative builders. With a 40% drop in residential construction reported for July, many are down to skeleton staffs.

F. A. Mager, Winnipeg, president of the National House Builders Association, declares that the mortgage finance scheme that will serve the public interest best is the one that'll build the most houses at the lowest prices consistent with good quality. "Canadian builders don't like present restrictions which reserve most new houses for the upper income group. It's our object to provide for the newlyweds and the young families with children — people who find it most difficult to obtain suitable rental accommodation. But they'll never be able to afford a home of their own as long as the Government's present mortgage restrictions are in force."

At the same time, the NHBA president called for a more realistic approach to house appraisals. "Central Mortgage & Housing Corporation," he points out, "is still making loans on the basis of building costs prevailing on January 1, 1950. No allowance is made for the 26% rise in costs that has taken place since then."

* * *

Two Billion Plus

A 50% increase in the value of construction contracts awarded in Canada is forecast by Earle L. Sheppard, president of the Ontario Association of Architects. Speaking at a luncheon meeting held jointly with the New York State Association of Architects at Niagara Falls, he expressed belief that this year's award total would reach $2¼ billions compared with $1½ billion in 1950. Total for the first nine months of 1951 is $1¾ billion.

* * *

Plenty of Lumber

Reports of a likely shortage of lumber for the domestic market next year, due to excessive forward buying by U. S. interests, are denied by W. J. LeClair, secretary-manager of the Canadian Lumbermen's Association.

"Actually," he says, "U. S. buying has declined from its peak, though not dangerously. The position with respect to United Kingdom buying is not yet clear, but the recent U. K.-Russian agreement and Britain's increasing shortage of dollars gives rise to some concern."

Mr. LeClair tells The Post that reports of a developing shortage were probably inspired by the prediction that lumber prices may rise as present stocks cannot be replaced at former costs. Government dues for timber on the stump have greatly increased, and Ontario has imposed a new logging tax. Both freight rates and wages are up, and labor is expected to be in short supply. "In no industry," he declares, "is the general cost of living more reflected than in lumbering.'

HULL, QUE. has sold $689,000 4% bonds due Nov. 1, 1952-65 to a syndicate including McLeod, Young, Weir & Co. Ltd., Bell, Gouinlock & Co. Ltd., Banque Canadienne Nationale, McNeil, Mantha Inc. and Casgrain & Co. Ltd. at 91.06. Net average cost 5.007%. Proceeds for waterworks, sewers, sewers extensions and repairs to electricity plant. Net funded debt at April 30, 1951, $5,341,380. Population, 42,468.

SILANCO MINING & REFINING has received payment covering 10,000 shares at 33c a share, part of the Dec. 12 option installment under the underwriting and option agreement with Amtor Corp. Issued capital is 4,810,000 shares, leaving 190,000 shares in the treasury.

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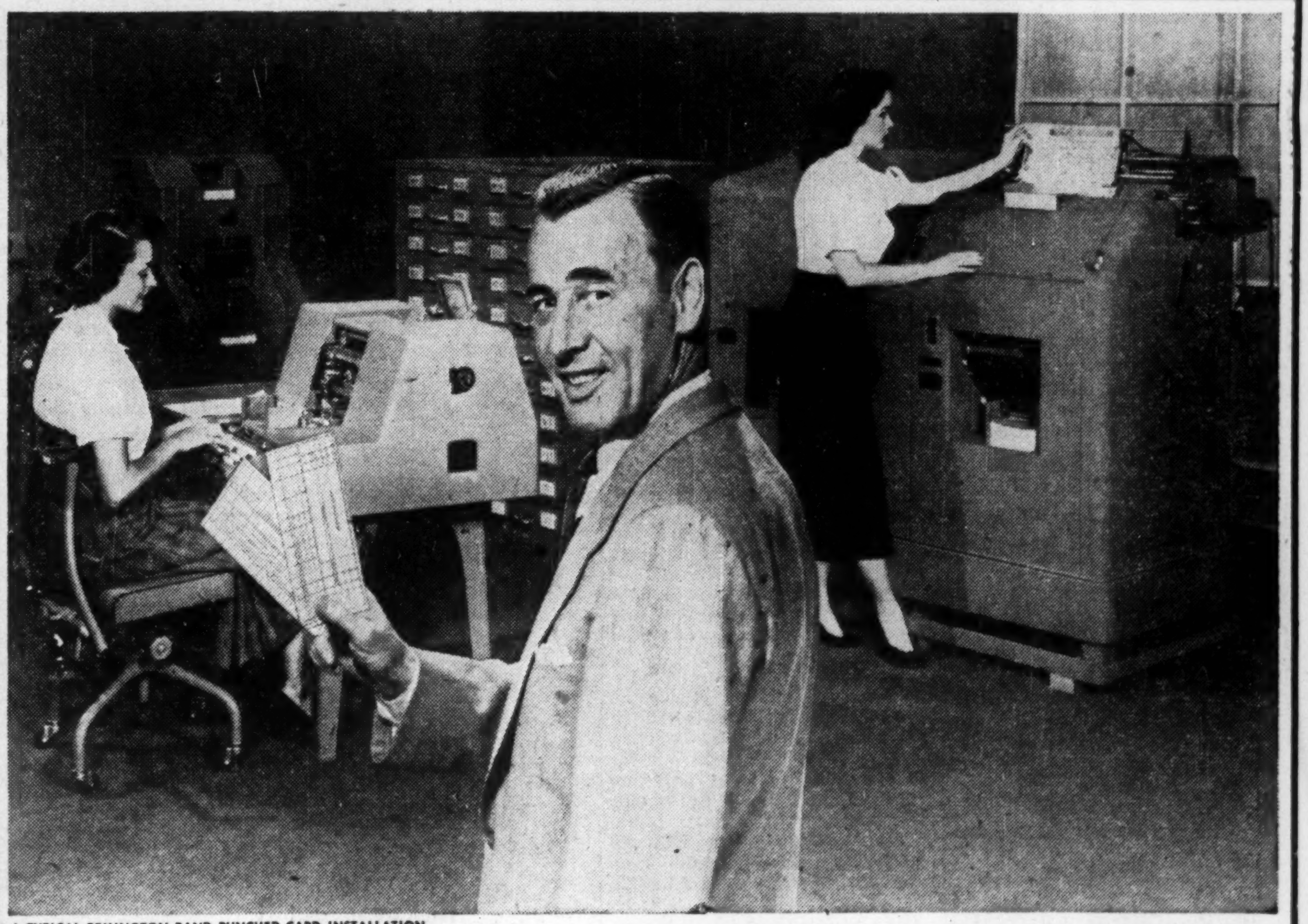

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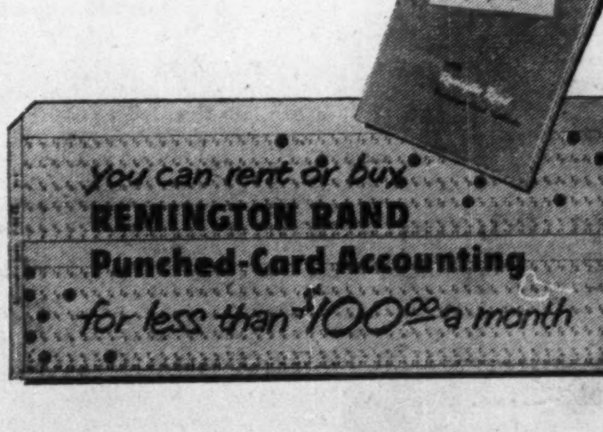

Hangover From Oil Spree

Edmonton Finds Quick Growing Pains Tough on Purse

From Our Own Correspondent

EDMONTON—While Alberta's oil discoveries have been a marvellous boon to the province as a whole, they have resulted in a series of headaches for the City of Edmonton, the city commissioners' nine-month review shows.

Commissioners reported that in the 30-year period from 1919-1948, when the growth of the city could be considered normal, the city borrowed through debenture sales $17,620,135, but in the last three years, 1949-51, when the growth of the city has been so abnormal, it has borrowed through debentures $27,455,423, and to this must be added a correspondingly large amount for the public and separate school boards.

The combined city and public school board bonded debt at last Sept. 30, was $51,656,838. This year the city added $12,368,000 to its funded debt. Higher interest rates in Canada for municipal bonds this year forced the city to go to the New York market to borrow $10,468,000.

This was obtained at a net interest rate of 4.042%, but commissioners noted that danger of an adverse exchange rate exists when repayment is made. Besides the $12,368,000 raised in debenture sales this year, the city has been unable to dispose of $1,139,782 worth of further debentures it sought to sell.

Charges Up $1.8 Million

As a result of borrowing during the present and preceding two years, the annual debenture charges have been increased by $1.8 million. Annual debenture charges now amount to almost $300,000 per month. Commissioners commented: "It will be seen how important it is that all future projects be restricted to the absolute minimum."

The per capita debenture debt rose from $198 last year to $250.

Commissioners reported: Tax collections for nine months this year total $7.6 millions, an increase of $1.5 million over the same period in 1950; sale of tax sale lands and properties $1.1 million, against $853,389 last year to same date; building permits $30.4 millions; compared with $34.7 millions; bank clearing $963 millions, an increase of $86 millions; customs receipts $9.8 millions, compared with $6.6 millions; population 158,912, compared with 148,861; city assessment $133.6 millions, an increase of 14.1 millions; mill rate up from 49.5 to 56.

Decreased building permits are blamed mainly on: Federal steel restrictions, high construction costs, and higher down payments on buildings financed through CMHC.

New Land Policy

Commissioners stated a new policy of providing city-owned serviced land on which houses may be built is necessary. Purchasers will have to pay cash for local improvements instead of financing them over a period of years through the city.

Noting the difficulties in municipal financing caused by growth, commissioners stated that existing industries, those in process of construction, together with those contemplated in the immediate future, must aggregate in value upward of $150 millions.

"The great majority of the employees of these industries live within the city, for which facilities and services have to be provided at a very great cost, particularly that of education, with no revenue from assessment except homes," commissioners stated. "This could lead to a serious unbalance in municipal economy."

The steel shortage is blamed for decreased industrial development compared with the same period in 1950. But the request for sites has increased.

In a new industrial area the following concerns have optioned land: H. R. MacMillan Export Corp., Vancouver; Minneapolis-Moline of Canada Ltd.; Hudson's Bay Co.; Great West Garment Co.

In the 97 St. industrial area, Great North Foundry Ltd. has erected a foundry to manufacture soil pipe, etc., and Lucey Export (Canada) Ltd. and Northern Asbestos Co. have erected large warehouses. The remainder of the city land remaining unsold in the area is under option to two large manufacturing plants.

In the northeastern part of the city, Anfo Steel Co. has purchased five acres for erection of a warehouse and fabrication plant; Western Precast Products Co. has acquired property for industrial construction purposes; Alberta Co-operative Seed Growers Association and Martin Paper Products Co. have acquired 500 feet frontage each for the erection of manufacturing plants.

Industrial Growth

Toronto Industrial Commission reports the following industrial growth projects in Greater Toronto:

Sunbeam Corp.

Sunbeam Corp. (Canada) Ltd. is considering a 130,000 sq. ft. factory for a 20-acre site it has bought. Sunbeam has been in Canada since 1920, making electric appliances, lawn and garden sprinklers, industrial furnaces for heat treatment of metals, and other products.

• • •

Wagner Brake

Wagner Brake Co. plans a 30,000 sq. ft. factory and office on a four-acre site to replace present crowded quarters. The company manufactures and distributes brake parts and hydraulic brake fluid for the automotive trade.

• • •

Assoc. Chemical

Associated Chemical Co. of Canada has bought a 1½-acre site for erection next spring of a 20,000 sq. ft. plant. Operations will be moved from present city premises and several new lines added to the firm's industrial and sanitation productions.

• • •

Taylor Instruments

Taylor Instrument Companies of Canada has bought four acres and plans a plant and head office to replace present premises in the city. This will greatly increase manufacturing and service facilities. The new plant will be designed to handle over 8,000 different types of instruments, from household and weather instruments to graphic panels and automatic controllers of temperature, pressure, flow, liquid level, specific gravity and speed.

• • •

Smith's Motor Acc.

Smith's Motor Accessories Ltd., a subsidiary of S. Smith & Sons, England, has leased 18,000 sq. ft. in the former Geco plant in suburban Scarborough. It will make auto accessories there and, later, aircraft and industrial instruments. Smith's Motor Accessories will be a division of S. Smith & Sons (Canada) Ltd. The parent company operates 20 plants in Great Britain.

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We Still Wait On Congress For Action Here

OTTAWA (Staff)—U. S.-Canada customs simplification, the ban on cheese imports, lowering of the U. S. tariff on oil imports—Congressional action on these three measures important to Canadian business awaits reconvening of Congress in January.

While the first session of the 82nd Congress wound up without disposing of these measures they aren't dead. The action to date:

1. Customs simplification passed the House of Representatives on a voice vote. Senate has still to act on this, which, while it doesn't go as far as Canada would like (especially on liquor and chemicals) is nevertheless regarded here as an important legislative gain.

2. The ban on Canadian cheese failed to get a vote on the Senate floor. It's high on the agenda for January. It's unlikely Canada will retaliate by raising tariffs on U. S. farm products in the meantime.

3. Crude oil tariffs. Hearings to cut present tariff from 21 cents to a minimum 5¼ cents were not finalized.

U. S. Pump Firm Builds in Toronto

Byron Jackson Co., Los Angeles, one of the largest U. S. manufacturers of pumps and oil drilling tools, has purchased a site in the Toronto area, Toronto Industrial Commission reports.

The company has found it necessary to build a Canadian plant to prepare for future developments in Alberta oil fields and rapid industrial expansion in Canada. Construction is starting immediately on the first unit, for July, 1952, completion.

The Canadian firm will operate under the name of Byron Jackson of Canada Ltd.

OSC Options

The following details of mining and oil company financing have been released by the Ontario Securities Commission:

ANSON PETROLEUMS reports Burns Bros. & Denton Ltd., Toronto, Midland Securities, London, and L. G. Beaubien & Cie, Montreal, have agreed to purchase 200,000 shares at 40c a share. Authorized capital is 2 million shares, of which 431,255 are issued. Aggregate amount for which the 1,568,745 shares remaining unissued may be issued is $1,922,370. Outstanding are $665,500 principal amount 5% 10-year debentures dated June 1, maturing June 1, 1960.

ACTION GAS & OIL reports British Commonwealth Securities received an option on 43,295 shares at 50c a share, net to the treasury. The optionee took down 31,705 shares at 50c under the previous option.

AUNITE MINING CORP. reports James W. Ralston received an extension of two months on all unexercised options, after taking up and paying for 125,000 shares at 10c a share.

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for ½, ¾ and 1 Ton Pick-ups
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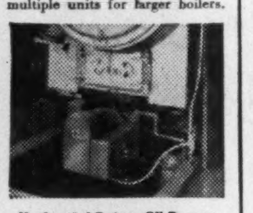
Iron Fireman Firing with Gas, Oil, Coal

Pneumatic Spreader Stoker
Dries, preheats, conveys coal pneumatically. Burns low cost coals efficiently. Up to 1000 boiler h.p. with multiple units for larger boilers.



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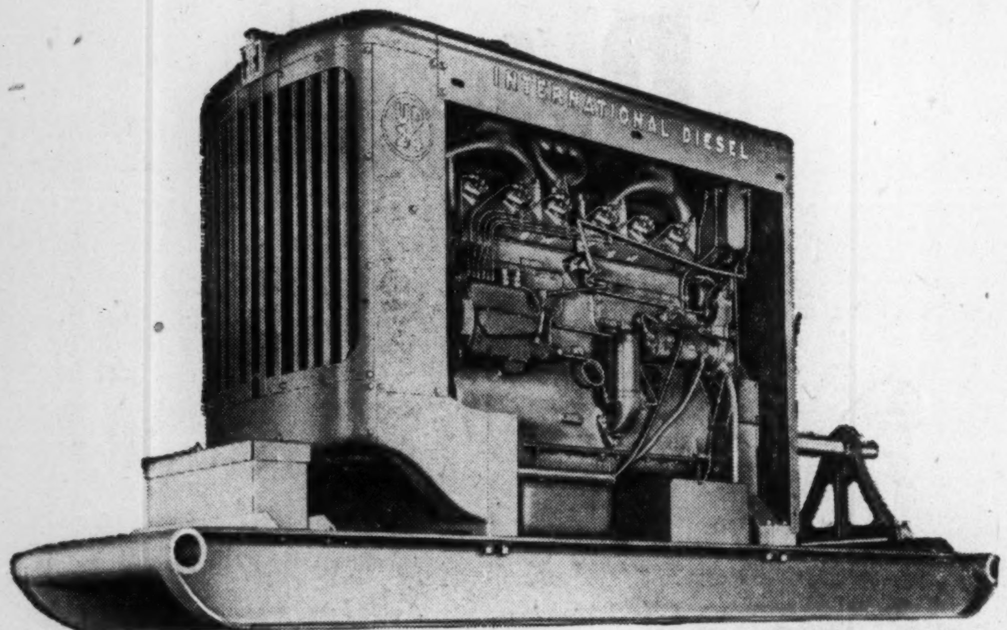

UD-24—Develops 180 H.P. at 1375 R.P.M.

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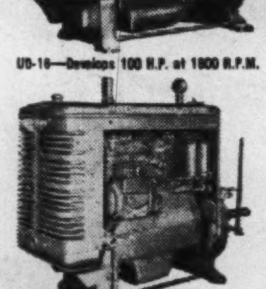
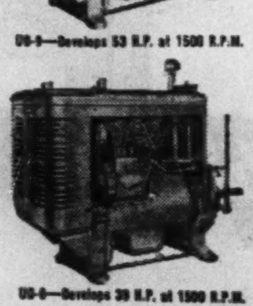
UD-18—Develops 100 H.P. at 1800 R.P.M.



UD-9—Develops 53 H.P. at 1500 R.P.M.



UD-6—Develops 39 H.P. at 1500 R.P.M.

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INTERNATIONAL INDUSTRIAL POWER DISTRIBUTORS (POWER UNITS): B. C. Equipment Co. Ltd., Vancouver, B. C.; J. S. Galbraith & Company, Vernon, B. C.; Central Truck & Equipment Co., Nelson, B. C.; East Kootenay Equipment Co., Cranbrook, B. C.; Territorial Supply Co. Ltd., White Horse, Yukon; Industrial & Road Equipment Ltd., Calgary, Alta.; R. J. Fyfe Equipment, Regina, Sask.; Kane Equipment Limited, Winnipeg, Man.; W. H. Marr Limited, Kenora Ontario; Twin City Industrial Equipment Ltd., Port Arthur, Ont.; Reid's Garage Limited, Fort Frances, Ont.; Soo Equipment Limited, Sault Ste. Marie, Ont.; W. L. Ballentine Co. Ltd., Toronto, Ontario; Chas. Cusson Limited, Montreal, Que.; T & T Auto Supply, Chicoutimi, Que.; Lounsbury Company Ltd., Moncton, N.B.; J. Clark & Son Limited, Fredericton, N. B.; Industrial Machinery Co. Ltd., Halifax, N. S.; Corner Brook Foundry and Machine Co. Ltd., Corner Brook, Newfoundland.

Joins Ker & Stephenson Ltd., Victoria, B.C.

LESLIE E. POPE, M.A.I., S.R.A.

Mr. Pope is a member of the American Institute of Real Estate Appraisers, a professional organization of highly-qualified appraisers operating in the United States and Canada. He is also a Senior Member of the Society of Residential Appraisers, and is President of the Vancouver Chapter of that organization.

Mr. Pope has been actively engaged in the Mortgage and Real Estate business since 1931, and has recently acted as appraiser for the Great-West Life Assurance Company, valuing properties, including office buildings, apartments, commercial and industrial buildings and houses in the British Columbia area.

Mr. Pope served in the Canadian Infantry Corps from 1940 to 1946. He was discharged with the rank of Major and awarded the Military Cross.

On November 1, 1951, Mr. Pope assumed charge of the Real Estate, Mortgage and Property Management Departments of Ker & Stephenson Ltd., which for upwards of Forty Years has occupied a leading position in the Real Estate and Insurance business on Vancouver Island. *

TOWNSHIP OF INNISFIL, new issue of $55,000 4½% debentures due Sept. 1, 1952—71 have been sold to Anderson & Co. Proceeds for public school purposes.

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Invest. Mutual Adds to Bank, Common Stocks

Another substantial increase in common stock holdings, an increase in holdings of three bank stocks, the addition of one new common stock holding to the portfolio, an increase in preferred stock holdings, purchase of two new bond issues and sale of three bond holdings featured changes in the portfolio of Investors Mutual of Canada Ltd. in the period Sept. 14, 1951, to Oct. 12, 1951. In addition, the company increased its cash holdings from $68,698 to $135,192.

The new common stock holding was Ford Motor Co. of Canada Class A. Eliminated from the common stock holdings was Industrial Acceptance Corp. common stock.

Holdings of stocks of Bank of Montreal, Bank of Nova Scotia and Royal Bank of Canada were increased substantially.

Holdings of three preferred stocks—Abitibi Power & Paper Co. $1.50, B. C. Power Corp. Class A and Western Gypsum Products Ltd. 5%—were increased.

Two new corporate bond issues were purchased—Canada Cement Co. 4% due 1961 and Canadian Chemical Co. 5¼% due 1971. Holdings of three other bond issues—Brazilian Traction, Light & Power Co. 4½% due 1971, British American Oil Co. 3½% due 1961 and British Columbia Electric Co. 3¾% due 1968—were eliminated from the portfolio while holdings of Government of Canada 1¾% bonds due 1951 were reduced.

Investment distribution of the portfolio at both dates was as follows:

	Held At Oct. 12 1951 %	Held At Sept. 14 1951 %
Bonds	12.94	14.68
Preferred stocks	5.58	5.47
Common stocks	73.93	73.67
Bank stocks	6.33	5.53
Cash, etc.	1.22	0.65
Total	100.0	100.0

Total market value of the account was $11,070,701 at Oct. 12, 1951 ($10,435,724 at Sept. 14, 1951). Of this $1,432,009 was in bonds, $617,868 in preferred stocks, $700,712 in bank stocks, $8,184,918 in common stocks and $135,192 in cash and other net assets.

The portfolio at Oct. 12 and changes since Sept. 14 shows as follows:

Common Stocks:	Shares Held at Oct. 12 1951	Changes Since Sept. 14 1951
Abitibi Pwr. & Paper	11,255	+2,200
Aluminium Ltd.	2,230	—500
Asbestos Corp.	1,175	......
Bathurst Pr. & Pap. A	2,665	+25
Do. B	1,225	......
Brazilian Tract. L & P.	8,045	+2,320
B. A. Oil Co.	12,848	+2,800
B. C. Forest Prods.	5,550	......
Bldg. Prods. Ltd.	345	......
Can. Wire & Cable B	1,144	......
Cdn. Breweries Ltd.	7,150	+600
Cdn. Bronze Co.	3,635	......
Cdn. Celanese Ltd.	3,840	......
Can. Pac. Rlwy.	5,150	......
Cockshutt Plow Co.	3,215	+300
Cons. Mng. & Smeltg.	1,660	......
Cosmos Imp. Mills	3,145	......
Distillers C.-Seagram's	6,700	+800
Dom. Bridge	3,985	+175
Dom. Foundries & Steel	11,540	......
Dom. Steel & Coal	7,800	+2,000
Dom. Stores	8,450	+200
Dom. Tar & Chemical	4,925	......
Famous Players Cdn.	5,050	......
Ford Motor of Can. A	200	+200
Fraser Cos. Ltd.	2,900	......
Gatineau Power	2,675	......
Goodyear Tire & Rub.	1,331	+100
Hinde & Dauch Paper	370	+225
H. B. Mng. & Smeltg.	1,700	......
Imperial Oil	2,155	—500
Inter. Metal Ind. A	4,415	+1,200
Indust. Accept.	......	—100
Inter. Nickel	7,375	+1,200
Inter. Utilities	2,000	......
H. R. MacMillan Export	3,125	......
Massey-Harris	27,150	......
McColl-Frontenac Oil	4,475	+1,000
Moore Corp.	4,780	......
National Steel Car	4,800	......
Noranda Mines	2,175	+300
Page-Hersey Tubes	2,515	......
Powell River Co.	9,825	......
Price Bros.	3,175	+150
Royalite Oil	3,600	......
Russell Indust.	5,180	......
Shawinigan W. & P.	7,545	+575
Shea's Wng. Brew. B	2,790	+400
Simpsons Ltd. B	5,230	......
How. Smith Paper Mills	5,065	+885
Steel Co. of Can.	4,400	......
G. Tamblyn Ltd.	960	......
Taylor, Pearson & Car.	1,200	+100
Union Gas Co.	5,225	+750
H. Walker-Good. & W.	2,305	+100
Western Groc.	575	......
Western Gypsum	785	......
George Weston Ltd.	3,299	......
Zeller's Ltd.	1,875	......
Bank Stocks:		
Bk. of Montreal	2,875	+1,700
Bk. of Nova Scotia	2,837	+1,200
Bk. of Toronto	1,575	......
Can. Bk. of Commerce	4,180	......
Dominion Bank	5,100	......
Imperial Bk. of Can.	4,645	......
Royal Bk. of Can.	2,210	+1,440
Preferred Stocks:		
Abitibi Pr. & Pap. $1.50	1,925	+1,925
B. C. Electric 4%	585	......
Do. 4¾%	250	......
B. C. Power A	4,035	+100
Bruck Mills Ltd. A	2,850	......
Gatineau Pwr. 5%	135	......
Do. 5½%	370	......
Gt. Lakes Paper A	500	......
Great West Coal A	4,300	......
Hamilton Cotton 5%	150	......
Indust. Accept. 4½%	100	......
Do. 5%	200	......
South. Can. Pwr. 6%	351	......
Steel Co. of Can. 7%	1,800	......
Traders Fin. 4½%	170	......
West. Gypsum Prod. 5%	13,909	+2,824
Geo. Weston Ltd. 4½%	135	......
Zeller's Ltd. 5%	300	......
Do. 6%	205	......
Bonds:	**Par Value**	**Par Value**
Canada 1¾% 1951	100,000	—25,000
Do. 2¼% 1956	175,000	......
Do. 3% 1957	400,000	......
C.N.R. 3% 1951	25,000	......
Ontario 3% 1951	175,000	......
Abitibi Pr. & P. 4¼% '61	75,000	......
Alaska Pine & Cellulose 4½% 1966	15,000	......
Brazilian Tract. L. & P. 4½% 1971	......	—50,000
Do. 4¾% 1970	50,000	......
B. A. Oil 3½% 1961	......	—75,000
B. C. Electric 3¾% 1968	......	—40,000
B. C. For. Prod. 4½% '66	30,000	......
Can. Cement 4% 1951/61	20,000	+20,000
Cdn. Chemical 5¼% '71	95,000	+95,000
Cdn. West. Nat. Gas 3½% 1971	20,000	......
Columbia Cell. 4½% '63	15,000	......
Dom. Stl. & Coal 4% '61	50,000	......
Dom. Textile 4% 1966	50,000	......
Indust. Accept. 4% 1969	25,000	......
Do. 4% 1970	25,000	......
H. R. MacMillan Ex. 4% 1965	15,000	......
McColl-Frontenac 3¼% 1962/66	5,000	......
Prov. Transport 4½% 1952/66	50,000	......
Traders Fin. 4% 1966	29,000	......

EAST RIM NICKEL MINES has received payment covering 150,000 shares at 50c a share, comprising balance of Aug. 31 option installment which was converted into a firm underwriting, under agreement with Minasec Agency. Issued capital is 2,400,007 shares, leaving 1,099,993 shares in the treasury.

When ready availability counts count on DOW for caustic soda

You can always depend on Dow for readily available caustic soda. That's because our distributors are strategically located from coast-to-coast, so that every Canadian centre of manufacturing has a distributor nearby.

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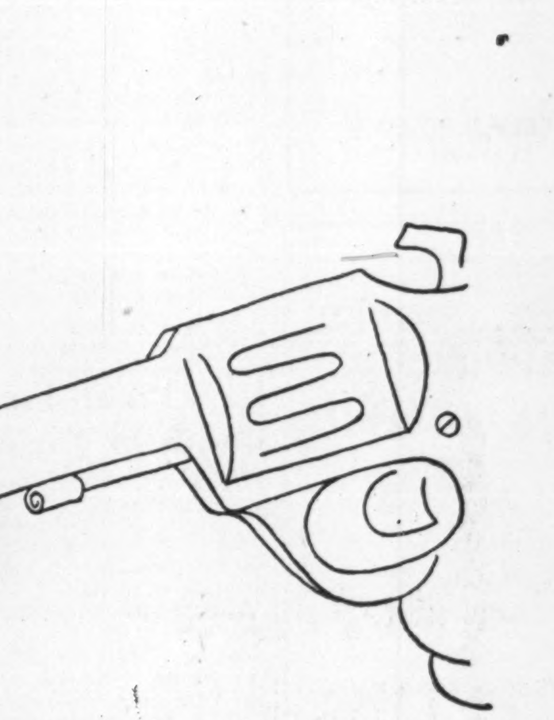
DOW CANADA

MONTREAL METROPOLITAN COMMISSION, Que., new issue of $4,796,000 4% serial debentures, due Nov. 1, 1952 to 1966, has been sold to a syndicate headed by Wood, Gundy & Co. and McLeod, Young, Weir & Co. The 1952 to 1956 maturities have been sold privately, the 1957 to 1965 maturities are being offered at 98 through the piece and the 1966 maturity at 96.50. Proceeds are to replace previous temporary financing. Cost of funds to the city is 4.46%.

H. R. MACMILLAN EXPORT CO. reports conversion of an additional 235,099 Class A shares into an equal number of Class B shares, reducing outstanding Class A shares at Sept. 30 to 190,400 and increasing outstanding Class B shares to 2,813,556.

TOWNSHIP OF EAST FLAMBORO, new issue of $280,000 4½% debentures due Sept. 1, 1952—71 have been sold to Anderson & Co. and Royal Bank of Canada. Proceeds for construction of public schools.

are you being ROBBED of the light you pay for?



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Trend of Business

As a further service to readers, The Financial Post brings together in one section major facts and figures on economic activity. This new feature incorporates the former Pace Of Business, Business Log and Business Barometers.

Retail sales for August up 7% on that month last year. Gain mostly in food stores, where prices up most. Compares 13% gain for first eight months. All provinces but B. C. up latest month.

Index of industrial production down in August from July, still reflecting time of year. It should rise for September. Though production index represents physical volume, with adjustment for seasonal variation where definite patterns, there is still seasonal variation that's not ironed out.

Dressed beef exports still running above last year, with live cattle exports below last year rate. Receipts at stockyards and packing plants 14% below last year in week ended Oct. 20.

Foreign autos entering Canada set record for September, but only 1.3% above same month last year. Travel falling from summer boom.

Gold production in August continues marked summer drop below last year.

First eight months sales of securities to U. S. up 34%; purchases from, up 86%.

Bees were busier in 1951 season: though fewer colonies, fewer beekeepers, honey production up about one third on 1950. Ontario production (largest) doubled.

Major Weekly Indicators

	Latest Week	Week Before	Month Ago	Year Ago
Department store sales (% ch. from year earlier)	—1	—10	+9	0
Carloadings				
Index adjusted for seasonal change, holidays	160.7	170.5	167.9	167.1
Total loadings (cars)	89,161	81,783	88,535	92,674
Eastern Canada (cars)	58,473	51,934	57,834	58,099
Western Canada (cars)	30,688	29,849	30,701	34,575
Iron & steel products (cars)	2,146	2,008	2,233	1,966
Ores & concentrates (cars)	4,411	4,276	4,676	4,910
Base metals, mattes (cars)	483	461	431	546
Lumber, lath & shingles (cars)	4,564	3,966	4,810	5,644
Bank of Canada holdings of securities ($ millions)	2,245	2,247	2,225	2,130
Short term governments ($ millions)	1,288	1,295	1,297	1,326
Long term governments ($ millions)	938	926	889	422
Other securities ($ millions)	20	26	40	382
Business Failures (4-wk. moving average)	14	12.5	11.3	11.5
Canadian dollars (U. S. cents, average)	95.808	95.102	95.809	94.995
T.S.E. Industrials index	345.83	349.44	360.00	277.34
Bank Clearings:				
Toronto ($ millions)	475	448	448	398

Facts by the Month

	Latest Month	Month Before	Two Mos. Before	Year Ago
WHAT WE PRODUCE—				
—▪In all industries (Index)	204.3	213.2	218.9	198.5
—▪In factories (Index)	209.2	219.3	225.9	199.0
▪Total nondurable goods (Index)	190.4	193.2	196.4	183.6
▪Food & bev. (Index)	211.5	204.4	203.1	197.3
▪Textiles (Index)	150.8	156.9	179.6	150.1
▪Clothing (Index)	127.2	128.9	138.1	125.2
Chemicals (Index)	214.7	216.2	216.2	194.0
▪Total durable goods (Index)	250.9	264.1	276.6	225.6
▪Wood products (Index)	176.6	207.2	184.4	166.7
▪Iron & steel products (Index)	237.7	253.2	254.2	214.1
▪Primary iron & steel (Index)	286.3	306.7	321.5	354.2
—▪From mines (Index)	166.0	174.0	167.6	146.1
▪Metals (Index)	109.8	114.5	111.6	108.8
▪Nonferrous (Index)	160.7	157.7	168.8	144.9
▪Gold (Index)	93.3	100.6	101.9	101.6
—From farms				
Cattle delivered (000)	172	119	111	196
Hogs graded (000)	384	284	285	382
▪Flour (Index)	138.8	121.2	167.3	139.9
—From sea				
E. Coast catch ($000)	3,538	3,169	4,903	3,674
W. Coast catch ($000)	10,915	7,809	2,434	7,241
—From forests				
Newsprint (000 tons)	431	485	452	438
—In powerhouses				
Electricity (Index)	219.5	227.5	226.8	200.1
WHAT WE SELL—				
▪Retail sales ($ millions)	864	828	900	810
Dept. stores ($ millions)	73	62	55	78
▪Country stores ($ millions)	50	49	50	45
Wholesale sales (Index)	361.9	328.9	343.7	368.9
Pass. car sales (units)	14,458	20,693	23,025	23,566
WHAT'S ON HAND—				
▪Mfrs's inventories (value) (Index)	185.8	183.2	177.5	137.4
Dept. store stock/sales ratio	3.6	4.1	3.4	3.0
SPENDING, SAVING POWER—				
Labor income ($ millions)	832	825	791	702
Industrial payrolls (Index)	393.8	392.5	379.0	332.5
Dividend payments (Index)	238.0	237.7	235.8	213.0
JOBS—				
Employment (Index)	184.3	183.6	180.3	172.5
Mfg. employment (Index)	193.9	193.9	192.0	179.6
BUILDING—				
Contract awards ($ millions)	185	188	327	129
Housing starts (units)	7,461	6,123	9,514	9,306
FOREIGN TRADE—				
Exports ($ millions)	354	379	316	261
Imports ($ millions)	338	371	360	267
MONEY—				
Money supply ($ millions)	4,719	4,750	4,750	4,678
Cheques cashed ($ millions)	9,072	9,032	9,500	7,558
Savings deposits ($ millions)	4,583	4,580	4,559	4,543
Current public loans ($ millions)	2,912	2,890	2,898	2,294
▪Life insurance sales ($ millions)	145	140	134	116
GOVERNMENT—				
▪Federal surplus (Cumulative) ($ millions)	513	502	409	296
PRICES—				
Cost of living (Index)	189.8	188.9	187.6	169.8

Production indexes show volume changes, seasonally adjusted.

Index bases: production, wholesale sales, cost of living, 1935-39=100; employment, payrolls, 1939=100; manufacturers inventories, 1947 average=100.

DEFENSE-IMPORTANT MATERIALS—Production and Supply—

	Latest Month	Month yr. ago	Yr. to date	% chge. yr. to date
Steel ingots & castings (000 tons)	287	281	2,386	+7
Net imports, primary shapes (000 tons)	140	102	734	+83
Primary copper (000 tons)	22.6	21.4	182	+4
Exports (000 tons)	8.1	11.5	88	—34
Nickel (000 tons)	11.8	7.7	91	+14
Exports (000 tons)	11.2	14.8	85	+3
Cement (000 bbl.)	1,513	1,494	11,408	+5
▪Imports (000 bbls.)	388	201	1,278	+208
Imports (000 bbl.)	218	123	889	+317
Lumber (000 mfb)	747	698	3,970	—2
Exports (000 mfb)	319	386	1,976	+7
Newsprint (000 tons)	431	438	4,117	+5
Exports (000 tons)	399	455	3,778	+3
Housing completions (units)	7,183	8,717	50,803	—1

QUARTERLY INDICATORS—	Latest Qtr.	Preceding Qtr.	Qtr. Year Ago
Farm cash income ($ millions) 2nd '51	768	478	476
% retail sales on credit, 2nd '51	26.8	29.3	27.1

▪New item this week.

$15 Million Expansion Plan For Brompton Pulp & Paper

MONTREAL (Staff)—Another big capital expenditure program has been announced for Brompton Pulp & Paper Co., a subsidiary of St. Lawrence Corp. About $15 millions will be spent in a new program to expand its Red Rock, Ont., property.

Included in the program are a high-speed modern kraft paper machine, an increase in pulp capacity, including semi-chemical pulp, and reconversion of the existing kraft paper machine to the manufacture of newsprint. The semi-chemical plant will use hardwoods, it is stated, as the company realizes the desirability of using all species of wood available on its limits. As a result, capacity of its limits will be fully utilized on a sustained basis.

Present Red Rock capacity consists of 80,000 tons of kraft board and 20,000 tons of surplus pulps annually. This latest expansion will raise output of finished products to 150,000 tons of kraft board and 60,000 tons of newsprint annually. The additional production should become available during 1954.

This is the second large program launched by Brompton this year. Last month, a new plan for spending about $7 millions at its East Angus, Que., mills was announced. The 1950 annual report stated modernization and expansion were being planned in view of company's substantially improved financial position.

The estimated cost figure for the new plan, about $15 millions, includes housing for additional employees needed.

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Growing Production Felt In 25% C-I-L Sales Boost

MONTREAL (Staff)—Canadian Industries Ltd. showed an increase of nearly 25% in sales in the first nine months this year compared with the 1950 period, but the effect on earnings was largely offset by the higher federal tax rate, President H. Greville Smith reports.

Although part of the sales increase represents higher prices, for the most part it's due to increased flow of goods from newly expanded facilities, the president states. Greater nylon yarn and staple fibre capacity was an important factor. The company also notes that a fifth casting machine for Cellophane cellulose film has been operating since the middle of last year. Polythene sales have been limited only by the availability of raw materials.

There has been a moderate lessening of the extremely high level of demand of the first half of the year when manufacturing facilities were taxed to the utmost to produce enough. In the third quarter the sales increases over 1950 haven't been as marked, although export markets have readily absorbed available quantities of certain products for which output is temporarily exceeding domestic requirements, company states.

Expansion Projects

Of the company's various expansion projects, work has already started on the new nylon intermediates plant on a 1,500-acre site at Maitland, Ont.; "good progress" is reported in work on the new Calgary explosives plant; the additions at the Kingston nylon plant have just been started to double filament and staple fibre capacity. Other projects under way include the addition of a sixth cellulose film casting machine at Shawinigan Falls; a liquid sulphur dioxide plant at Copper Cliff, Ont.; expansion of the New Toronto coated-fabrics plant.

Plans for the construction of polyethylene flake plant which has been under consideration for some time, "are in the final stages of consideration." No site has been announced, but Alberta has been prominently mentioned by industry observers as a likely location because of its proximity to essential raw materials (The Financial Post, Sept. 1). Other projects and plant expansion plans are in the development stage, the company reports.

In the five years ended 1950, C-I-L new plant construction and working capital requirements coincidental to it has involved an outlay of $34 millions. Expenditures of this nature will be "much in excess" of this figure during the next three years, company states.

ELECTROLUX CORP. reports a net profit of $798,410 for the three months ended Sept. 30, 1951, against $1,023,665 for the same period a year ago. This was equal to 65c (83c) per common share. For the nine months ended Sept. 30, 1951, net profit totaled $2,813,537 or $2.29 per share ($3,134,345 or $2.55 per share same period a year ago).

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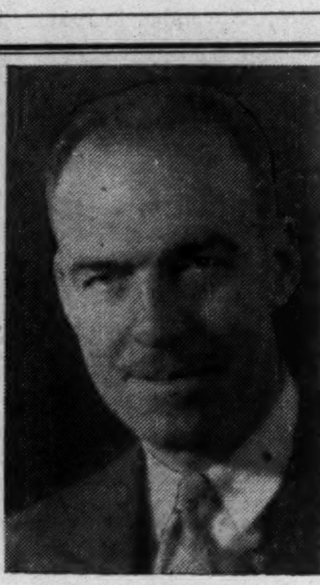
A. D. LANGMUIR

At the annual meeting of Ferro Enamels (Canada) Limited, Oakville, held in Oakville recently, the following officers of the Company were re-elected:—

W. Mavor, C.B.E. .... President
E. A. McDonald .... Executive Vice President
H. D. McLaren .... Technical Vice President
H. R. Ostrom .... Secretary and Treasurer
E. Blacklock .... Assistant Secretary nad Treasurer

and two additional Vice Presidents were appointed—A. D. Langmuir, Vice President in Charge Sales and Service, Engineering Division, and James K. Hossack, Vice President in Charge Sales and Service, Supply Division.

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Provincial Roundup

Newfoundland

Expect Surplus: A surplus on current account of not less than $1 million is anticipated at the end of the fiscal year for Newfoundland if the present rate of revenue and expenditures is maintained, according to Premier Smallwood—despite a $1 million increase in cost-of-living bonuses to teachers and civil servants.

• • •

Nova Scotia

Yule Tree Market: Demand for Nova Scotia trees for the U. S. Christmas tree market is keener this year than ever, according to one big U. S. buyer visiting the province last week. It's expected that some 800 cars will be shipped to the Eastern Middle West and Southern States within the next five weeks. With more buyers flooding the province, prices are slightly over last year.

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New Brunswick

Farm Course: Applications are running high this fall for the government's five-months agricultural courses at St. Joseph's University, Fredericton, Woodstock, and Edmundston. Course will start in mid-November, conclude in April. With classroom lectures in various phases of agriculture, practical farming is taught; board allowance is being arranged under the Dominion-Provincial plan for youth training. Provincial Agriculture Minister A. C. Taylor said beneficial results were obtained last year, looks for a repeat this year.

New City: A new New Brunswick city is in the offering with the decision of the Lancaster Parish council to incorporate, subject to approval of local citizens. Lancaster Parish adjoins Saint John, has a population of more than 12,000.

• • •

Quebec

Housing Aids: Premier Duplessis, meeting with a Quebec Union of Municipalities delegation on revenue distribution, announced government plans for legislation to increase assistance to homebuilders in the province. Quebec will add $10 million to the $20 million already granted for housing aid and will increase to $7,000 the part of individual loans on which the government pays a share of interest (to $11,000 in the case of a two-family dwelling). Under the present plan the government assumes 3% of interest charges on house-building loans to a limit of $6,000 and $10,000, applying only to privately obtained loans of interest rate no more than 5%. The government's 3% share will not be increased, but Mr. Duplessis indicated possible provisions for upping the eligible interest rate ceiling from 5 to 6% in view of rising mortgage rates.

Rail Line Bought: The 26-mile Montmorency division of Quebec Railway, Light & Power Co., running from Quebec City east to St. Joachim on the north shore of the St. Lawrence, has been purchased by C. N. R. Price paid was $750,000, transfer of ownership effective Nov. 1. The line connects with C. N. R.'s main line from St. Joachim to Nairn's Falls.

• • •

Ontario

Election Costs: Ontario's Nov. 22 election is expected to be the costliest in history, estimated at $2.5 million by Major Alex Lewis, chief election officer. It will involve work of 60,000 persons in 12,000 polling divisions with a "substantial increase" over the 1948 voting list of 2,623,281 names expected.

Steam Power: Coinciding with opening of Toronto's big steam generating power plant, the J. Clark Keith steam generating station at Windsor got an initial workout last week. Running tests made on the first 60,000 kilowatt turbo-generator, left only completion of power lines to start initial output of the new source of 60-cycle power for the Southern Ontario system, expected in a few weeks. Completion of the whole plant is scheduled for early 1953.

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Manitoba

For Colored Oleo: Eight urban and suburban Manitoba municipalities voted overwhelmingly, on the whole more than five to one, for colored margarine, in plebiscites in recent municipal elections. They said they wanted no more of the restrictive legislation passed in 1949 which prevented margarine manufacturers from marketing a yellow colored product. One of the government's leading supporters, Ron. D. Turner, Winnipeg, has already given notice he will bring in a bill to repeal the present restrictive legislation. No indications of the government's intentions have been given.

• • •

Alberta

Age Pensions: Alberta old age pensioners receiving the province's $10 a month supplementary pensions will continue to receive them when the universal old-age pension plan is instituted Jan. 1, Premier Manning announced. He did not indicate whether the supplementary $10 would be paid by the province to all recipients of the old age pension after Jan. 1.

Crop Damage: Hail damage to Alberta crops this year has been placed at $30 million by the Alberta Hail Insurance Board. The board's figures showed that 1951 was exceeded only by 1923 and 1927 in amount paid to farmers for hail damage. There were 62 days of hail involved during the growing season, affecting some 2 million acres of crop lands.

• • •

British Columbia

Milk Sales: Canned and powdered milk sales jumped at Vancouver immediately after a sudden 3c rise (to 22c) in the price of bottled milk. Retailers believe sales will return to normal if the pattern of previous increases is followed. In hearings into price held by the B. C. Milk Board, Canada Safeway Ltd. officials said the company is willing to build a $216,000 processing plant in the city if the board will allow it to supply milk through stores at two to three cents below the home delivery price.

Highway Business: Legislation to curb "ribbon" development along British Columbia's arterial highways is to be introduced at next year's session of the Legislature. The Public Works Department is studying details of a bill to prevent business and home development on each side of new highways, which is creating heavier traffic and slowing down autos and trucks, defeating the purpose of the highways according to the Government.

CN September Net Down $4.8 Million

MONTREAL (Staff)—A sharp gain in operating expenses offset a slight rise in operating revenues for the Canadian National System in September. As a result, net revenue for the month at $3,919,000 was down $4,823,000 from September, 1950. For the first nine months of this year, net revenue now shows a $3,316,000 drop from the same period of last year, at $31,501,000.

These are operating figures only and do not include taxes, equipment rentals, fixed charges, etc. Comparative statements showed:

	Month of September		
	1951	1950	Incr.
	$	$	$
Oper. rev.	52,937,000	52,099,000	838,000
Oper. exp.	49,018,000	43,357,000	5,661,000
Net rev. ..	3,919,000	8,742,000	*4,823,000
	9 Mos. to September 29		
	1951	1950	Incr.
	$	$	$
Oper. rev.	460,245,000	396,561,000	63,684,000
Oper. exp.	428,744,000	361,744,000	67,000,000
Net rev. ..	31,501,000	34,817,000	*3,316,000

*Decrease.

TOWN OF RIDGETOWN, new issue of $28,000 4½% debentures due Nov. 1, 1952—71 have been sold to Anderson & Co. and Canadian Bank of Commerce. Proceeds for public school purposes.

CITY OF KELOWNA, new issue of $80,000 4¼% debentures due Aug. 15, 1952—71 have been awarded to Anderson & Co. and J. L. Graham & Co. at 98.06 or a cost basis to the city of 4.46%. Proceeds are for fire protection.

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Bank of Nova Scotia Building, Toronto. Architects: Mathers & Haldenby, Toronto, Associate Architects: Beck & Eadie, Toronto.

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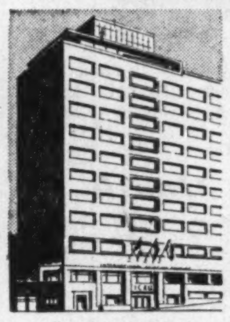
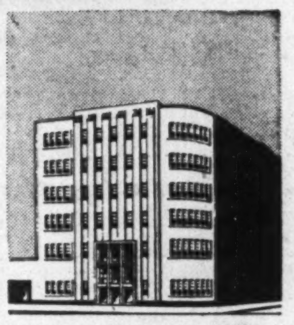
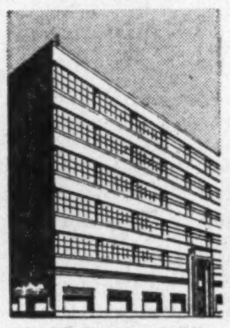
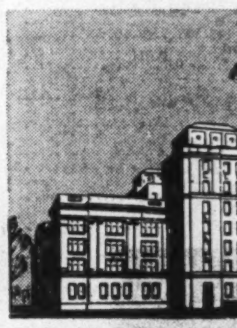

The International Aviation Building, Montreal. Architect: Office of the Chief Architect, Canadian National Railways.


Hamilton (Ontario) Hydro-Electric Commission Building, Hamilton. Architect: George T. Evans, Hamilton, Ontario.


The Bay-Grosvenor Building, Toronto. Architect: Charles B. Dolphin, Toronto.


London Life Building, London, Ontario. Architects: Mathers & Haldenby, Toronto; Associate Architect: D. M. Henniger, London.

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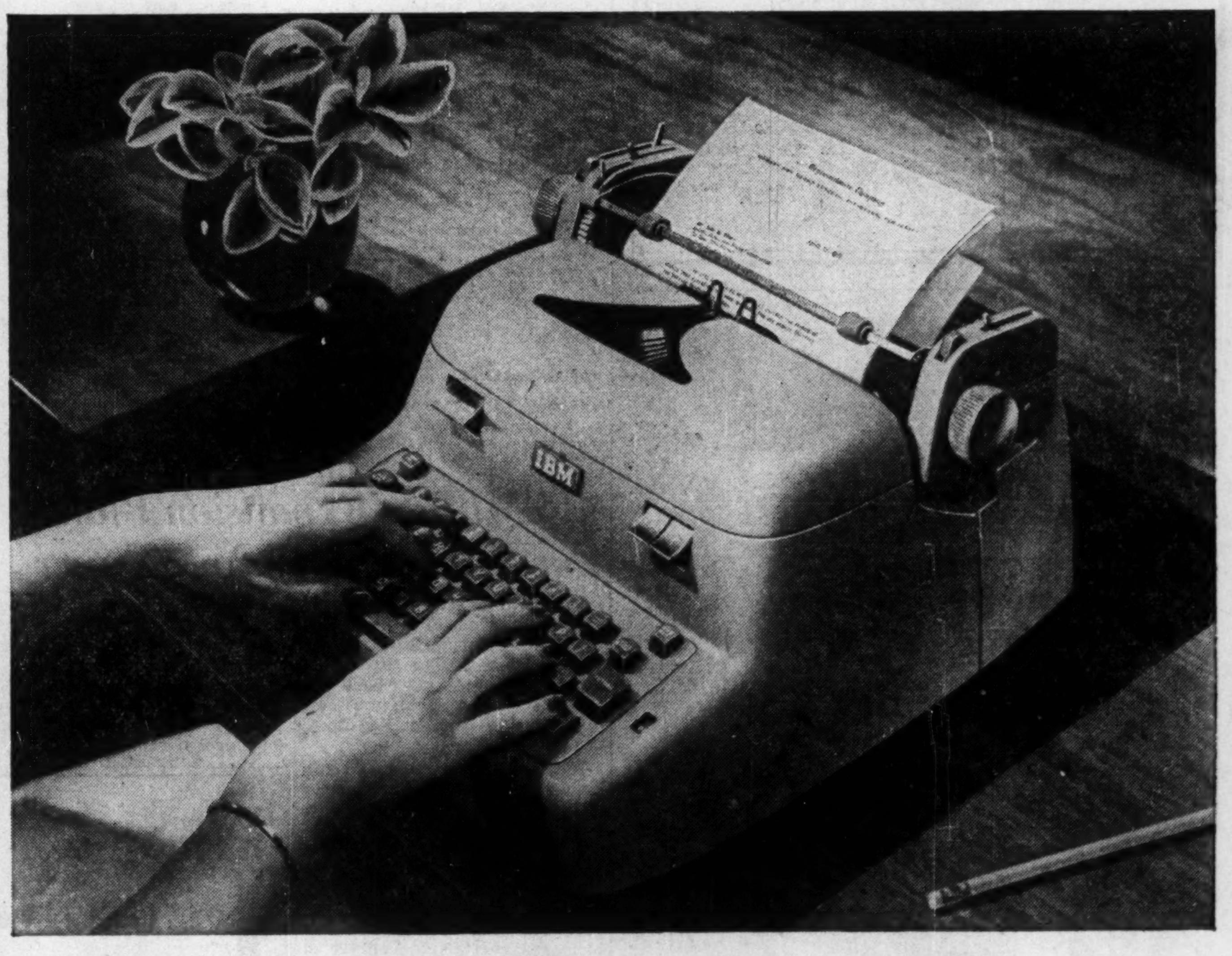

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Borrowing For Resources In U. S. Pays Own Rent

U.S. investment in Canada does not burden the Canadian economy too much. And the bulk of it is going into basic resource development which will enlarge our capacity to export or reduce our import requirements says Louis Rasminsky, Alternate Chairman of the Foreign Exchange Control Board. Here is a digest of his address to the Canadian Club of Toronto.

By LOUIS RASMINSKY

Since the beginning of 1951, Canadian debtors (mainly Provinces) have issued new securities in the New York market for about $300 million. Retirements have amounted to about $100 million, including $48 million CNR's.

The U. S. funds thus borrowed have been made available to the Canadian economy and, along with the funds coming in for direct investments and certain other capital movements, explains why, in spite of the large current account deficit, our exchange reserves fell by only $130 million in the first nine months of this year.

Are we going into debt abroad to too great an extent?

In considering this certain facts should be taken into account. One of these is the fact that even after the large recent borrowings abroad through the sale of bonds, total interest payments abroad are very much lower than they were 20 years ago.

True, much foreign capital has been invested in Canada during this period in equity form — through purchases of securities and investments in branch plants. But even allowing for this, the $400-$450 million we shall pay in interest and dividends to non-residents this year represents only 2½% of our national income, compared to 8% of our national income required to make payments of $350 million in 1930. In 1930 it took nearly 20% of the proceeds of our exports to meet our interest and dividend payments to non-residents. Today, even though these payments are larger, it takes hardly more than 2% of our export proceeds to meet them.

Finally, how are we disposing of the resources available to us, including that portion made available through the current account deficit and paid for by an increase in our foreign indebtedness?

Some part of our imports is unproductive, and debt incurred to finance them is dead-weight debt. In an economic sense, this would be true of our imports of defense goods, about $300 million a year.

On the other hand our domestic capital structure is being enlarged and intensified, and the new capital we are creating does not consist primarily of such things as roads and public buildings and theatres, and hot dog stands which might give us greater satisfaction for the time being with out adding significantly to our capacity to earn foreign income.

The bulk is going into basic resource developments which will enlarge our capacity to export or reduce our import requirements.

From a foreign exchange point of view, it is reasonable to suppose that the borrowing is producing its own rent, with something to spare besides. And, fortunately, much of the resource development which is now taking place is directed toward producing commodities which are urgently needed for our defense effort and that of the countries with which we are allied.

Five Cos. Found Guilty Of Match Combine

MONTREAL (Staff) — In an important 68-page judgment handed down this week, five Canadian match companies were found guilty of forming and operating a monoply controlling the match business in Canada, against the provisions of the Combines Investigation Act.

The five were fined a total of $85,000 and costs, as follows: Eddy Match Co., $25,000; Commonwealth Match Co., $15,000; Canada Match Ltd., $10,000; Federal Match Ltd., $10,000; and Valcourt Co., $25,000.

Defense Counsel Hazen Hansard, K.C., stated an appeal might be considered and was granted 30 days delay for payment of the fine and costs.

In ruling that the five companies were guilty of operating a monopoly in matches, Mr. Justice Valmore Bienvenue stated that Eddy Match sought to eliminate competition, when it appeared, by means of an illegal and unjust agreement to make competitors disappear and by acquiring the businesses of competitors and absorbing them.

The other accused companies, except Valcourt, he ruled, had aided Eddy in the illegal coalition. Valcourt, however, had been organized to help Eddy organize, operate and maintain control in the industry; it had served as an intermediary in Eddy's purchase of other accused companies. One of the charges which has been laid against the companies is that Eddy and Valcourt are a merger, trust or monopoly who have purchased, leased or otherwise acquired control over or interest in the whole or part of the business of Canada, Federal, Commonwealth and Western Match Co.

The judgment issued this week pertains to the first of the four charges laid against the companies. The remaining three have been postponed until the next term of the Court of King's Bench.

The share register of Eddy Match Co. showed common shares to be held at Feb. 6, 1947, as follows:

(1) 79,587 shares by Bryant & May Ltd. or nominees (the big British match company).

(2) 33,953 shares by Diamond Match Co. or nominees (the dominant U. S. match company).

(3) 6,460 shares by various individuals.

Canadian operations have been conducted under the joint supervision of two officers, one in Pembroke, Ont., and one in Montreal, according to report of Combine Commissioner. They are H. Hart, vice-president, treasurer and a director; and E. P. Miller vice-president and a director.

Mr. Miller has directed sales policy from Montreal since beginning of its operation. Both receive instructions, it was stated, from the chairman and managing director, W. A. Fairburn Jr., who is president of Diamond Match Co.

B. A. Oil Makes Wyoming Find

British American Oil Co. has made what appears to be an important new discovery in Carbon County, Wyoming. On a formation test of a 15-ft. interval at approximately 6,200 ft., the well had a fill-up rate of 20 barrels per hour of 27.7 gravity oil. The property is held jointly by B-A and Union Pacific Railroad.

Further drilling was in progress and important drilling news expected around midweek. The new well will probably contribute to the oil stream of the Platte Pipe Line which will be completed in mid-1952. It will take considerable further drilling to indicate extent of reserves.

INDUSTRIAL ACCEPTANCE CORP. reports a total of 12,083 5% $25 par preferred shares, 46,877 5% $32 par preferred shares, 14,490 4½% preferred shares, 14,330 5% $100 par preferred shares and 340,210 common shares outstanding.

Export SALES REPORT

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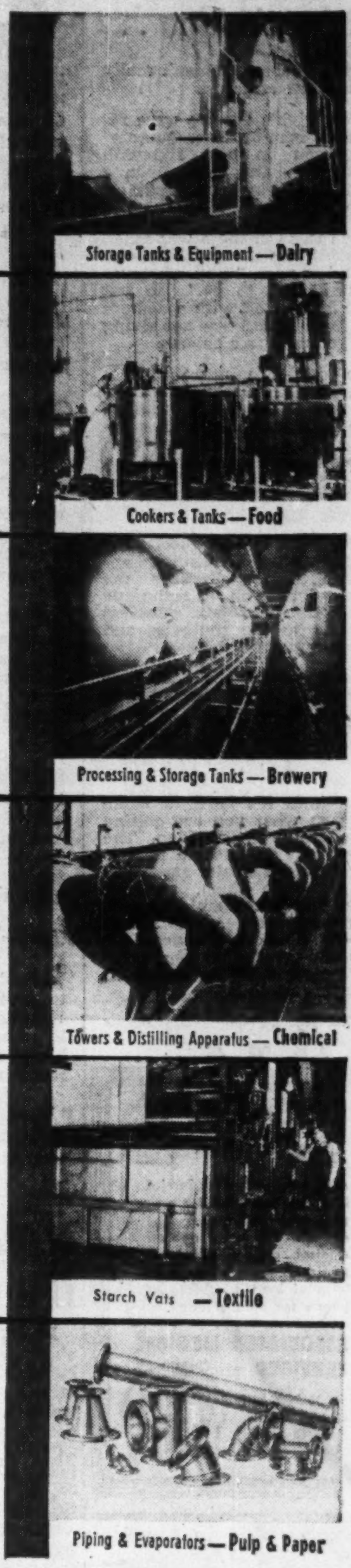

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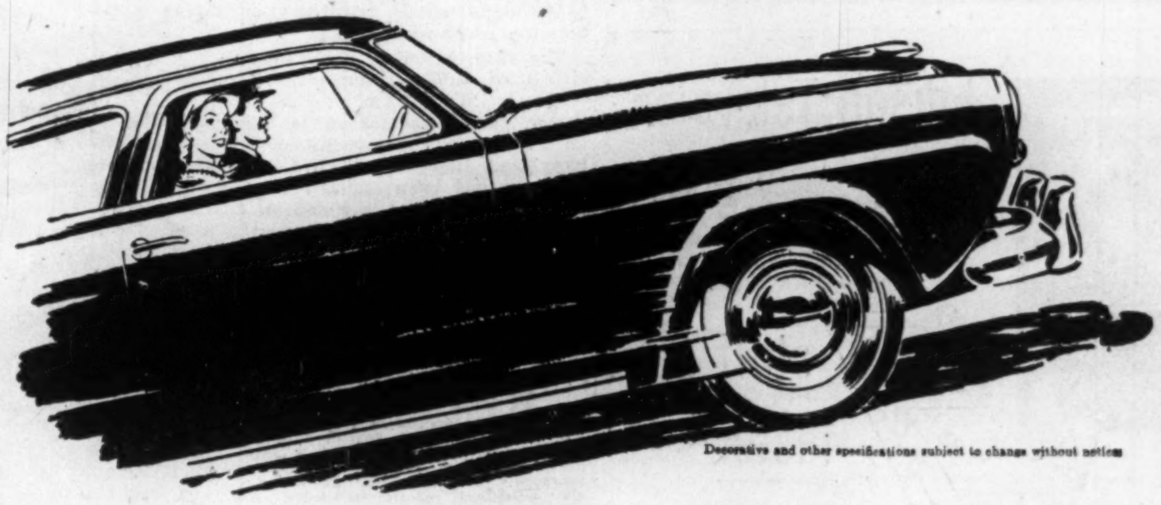

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Nothing New Under the Sun . . .

Maybe Modern Art isn't really so modern after all.

A few nights ago we were rereading part of "Don Quixote" — written in the sixteenth century — and came upon a reference to a certain painter called Orbaneja.

When this Orbaneja was asked what he was painting, he would answer, "Why, whatever it turns out to be." He felt that to start off with a definite subject in mind was not giving his genius a fair chance.

One day the narrator was present when Orbaneja scrawled out a misshapen rooster. The painter looked at it carefully for a moment and then wrote underneath it, "This is a cock." He was afraid some ignoramus might mistake it for a fox!

There seem to be a good many artists using Orbaneja's approach today. Perhaps the main advance on his technique is that titles now bear even less relation to the squiggles and blotches on the canvas.

We are reminded of the answer of a noted Dutch artist visiting Canada when asked what he thought of Modern Art. He replied, "It is a sickness!"

* * *

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Week Ended — Oct. 26, 1951

Mon.	$1.04 17/32	Thur.	$1.04 31/32
Tues.	1.04 14/32	Fri.	1.04 30/32
Wed	1.04 27/32	Av.	1.04 119/160

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What's New

New Products, Applications and Ideas Gathered from World-wide Sources or Made in Canada for the First Time

Manufacturers of products which are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respect it is new, and indicate its significance to its field.

Enquiries concerning items in this column should mention the heading to the item, and the date of issue in order to ensure prompt reply.

Glare Protection

Sun and highway glare protection for the driver and front seat passengers is offered with a new Plexiglas exterior visor. It's translucent green with wings and centre-strip of chrome-plated steel; said to fit any make of automobile.

* * *

Polyethylene Valves

Manufacturer of new polyethylene valves claims they're more resistant to corrosive chemicals than standard metal valves. They'll withstand heat up to 170F.

* * *

Anti-Clog

Designed to take the peskiness out of salt shakers, a special moistureproof top of aluminum is said to prevent clogging; and for the cookie jar, to get rid of sogginess.

* * *

Fluorescent Lamp

For close, exacting work, tiny portable fluorescent lamp is said to produce intense but cool illumination up to 500 foot candles. It has a jackknife support bracket and swivel joints for ready adjustment.

* * *

Plastic Fastener

Extruded plastic slide fastener soon to be available said to provide airtight, dustproof and waterproof closure. Made of vinyl plastic, it has a host of immediate applications and a wide range of potential uses, according to manufacturer.

HARRY G. PALMER

has been appointed a director, Fittings Ltd., Oshawa.

* * *

Plastic Satin

It has the feel and appearance of satin or other fabrics, say manufacturers of aprons from Vinylite plastic film. They're flame, moisture and fading proof, can be cleaned with a damp rag, come styled in solid colors.

* * *

Welding Flux

Reduced expense in fusion welding of heat and corrosion resistant metals is claimed with use of improved fluxes said to cut down chipping, grinding and finishing. New fluxes control penetration of the weld by allowing higher welding temperatures without burn-through, makers claim.

* * *

Simplified Car Wash

A new car-washing device that operates on one track instead of the conventional two is said to cut down installation and operating costs and put automatic car washing within reach of the average service station. The customer can get a gas refill and oil change while spraying, soaping and rinsing is under way.

* * *

Car Seat Paint

Leather and leatherette in cars can get a beauty treatment with the paint brush, according to makers of a paint that produces a washable film, said as flexible as the leather itself, supposed to preserve the original grain.

* * *

Rubber Doors

Flexible rubber doors may speed up, ease materials handling. Electric and hand trucks just push right through; there's no stopping to open doors or risk of damage by "bumping" through. They hang on an inverted L-shaped frame, with a centre opening and small Plexiglas windows to let you see what's coming, automatically flap shut after the push through.

* * *

New Catalogues

Stephens-Adamson Mfg., Belleville, Ont. new belt conveyor publication describes standard and special carrier lines, including new belt training attachment to guide belt along centre of carriers, without rubbing and fraying of belt edges; unit automatically shifts belt back into centre by tilting carrier rollers.

* * *

A. R. Williams Machinery Co., Toronto, new publication contains latest machine tool supply story, highlights of new developments.

Holdings in Oil Rights By CPR in Western Canada

MONTREAL (Staff) — Profitable oil rights owned by Canadian Pacific Railway and leased to others include 225 producing wells, it's revealed in the prospectus covering a recent offering of CPR bonds. Broken down by fields, this shows Redwater with 35; Leduc, 61; Lloydminster, 46; Stettler-Big Valley, 17; Turner Valley, 27; Joseph Lake, 22; Princess, 10; and various other areas, seven.

At present 55,000 acres of Canadian Pacific's oil rights are under lease to oil companies, with another 11,291,000 acres still under reservation for exploration. Company charge for exploration reservations is 10c per acre annually for up to 200,000 acres, with additional areas on a reducing sliding scale.

When investigation discloses favorable conditions, it's pointed out, the reservation or part of it is usually converted into an oil lease on the basis of $1 per acre annually plus one eighth of the current market value of the petroleum products produced.

Total area to which Canadian Pacific holds petroleum rights amounts to 11,384,256 acres. Of this, 8,265,136 acres are located in Alberta, 2,847,799 in Saskatchewan and 271,321 in Manitoba. These lands are widely separated and no accurate estimate can be made yet of the potential earnings which accrue from the company's rights. Last year a total of $1,900,000 in rentals, royalties and fees was received.

The reservation in about one eighth of CPR's acreage is of "coal, petroleum and valuable stone," the prospectus states. In an action taken against the company and Imperial Oil Ltd. as lessee it has been claimed that "natural gas" is not included under that reservation and a recent judgment of the Supreme Court of Alberta (Trial Division) maintained this. That judgment has been appealed, however.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

BLUE RIBBON CORP. had a net profit of $59,968 for the six months ended June 30, 1951. Net for the year ended Dec. 31, 1950, was $148,968.

Shareholders will be asked to approve changing the fiscal year end to June 30 at the annual meeting on Oct. 30, 1951.

In view of the substantially increased values of inventories on hand at June 30, $75,000 was appropriated for reserve against future decline in inventory values, President J. A. F. McKay says.

There are contingent liabilities of $111,000 commitments for future capital expenditures; $308,145 commitments for forward delivery of sterling and U. S. dollar exchange and $98,658 employees pension plan balance of contributions in respect of past service.

CONS. INCOME ACCOUNT

	6 mos. ended June 30 1951	Year ended Dec. 31 1950
Net earnings	$178,849	$323,192
Less: Deprec.	40,881	74,224
Income tax res.	78,000	100,000
Net profit	59,968	148,968
Less: Pref. divds.	31,982	42,643
Surplus for period	27,986	106,326
Earnings per Share and Dividend Record:		
Preferred†	$3.52	$8.73
Preferred‡	2.97	3.80
Paid	1.25	2.50
Common‡	0.47	1.30
None paid.		

†Before (‡After) participation.

CONDENSED CONS. BALANCE SHEET

As at:	June 30 1951	Dec. 31 1950
Cash	$48,243	$31,746
Accts. rec.	1,002,646	1,064,557
Inventories	3,757,114	▪1,764,950
Total curr. assets	4,808,003	2,861,253
Misc. assets§	5,814	6,763
Prep. exp.§	105,273	49,529
Fixed assets*	758,804	776,341
Total assets	5,677,894	3,693,886
Bank loan	1,315,737	535,275
Accts., etc., pay.	1,406,891	440,116
Taxes pay.	83,752	82,904
Total curr. liab.	2,806,380	1,058,277
Inventory res.	275,000	......
Capital stock	1,712,076	1,712,076
Surplus	‡884,438	†923,533
*After depr. of	865,591	832,163

▪After reserve.

§Included in curr. assets in co's report.

†After approp. $50,000 to deprec. res. and $70,000 to inventory res.

‡After approp. $75,000 to inventory res.

Working capital	2,001,623	1,802,976

Empire Life's Business Passes $100 Millions

Empire Life Insurance Co. (head office at Kingston, Ont.) in October passed the $100 million mark for business in force, according to a letter to shareholders from President Charles P. Fell.

The company was incorporated in 1923.

Other highlights of the announcement were: an 18% increase in new life insurance writings in the first nine months of 1951 over the corresponding period of 1950; the company's most rapid growth has been realized since the end of the last war; Empire Life now has more than 50,000 individual policies in force; the increase in interest rates available on new investments promises in part, over a period of years, to compensate for higher business costs.

Empire Life shares were listed last week on the Toronto Stock Exchange.

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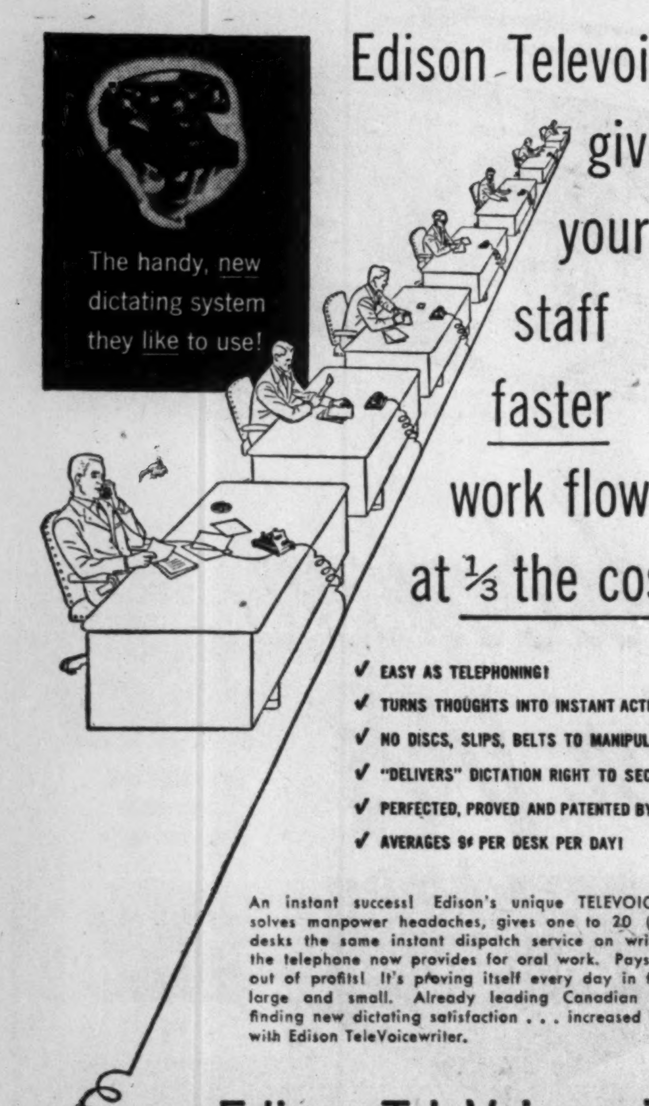

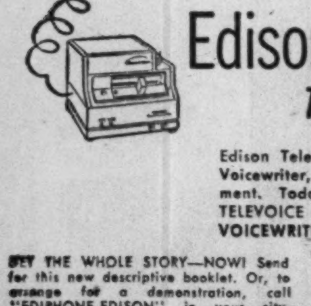

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The Financial Post

Vol. XLV Publication Office: Toronto, November 3, 1951 No. 44

The Men Who Feed You And Their Future

The Farm Outlook: Fair and Promising

What does the future hold for our basic industry—agriculture? Have we reached the limit of our ability to expand farm production—or is there an even brighter future ahead for the men who live by the land? To bring the agricultural outlook into focus, The Post invited Canada's deputy minister of Agriculture, Dr. J. G. Taggart, to contribute this feature article.

By Dr. J. G. TAGGART

Despite the growth of our mineral-product, forest-product and manufacturing industries in the past decade, agriculture still has many claims to the title of "Canada's basic industry."

To deal first with the obvious: agriculture provides food, without which man would require little in the way of manufactured goods.

Canadian agriculture furnishes about 30% of the total value of our products entering into export. It supports a large number of industries engaged in processing farm products — abattoirs, canning plants, milling plants, and the like — and gives employment to thousands of urban workers engaged in the production of farm machinery, fertilizers, building and fencing material, and even motor cars and trucks.

Less obvious, perhaps, but of fundamental importance to our economic thinking, is agriculture's virtually unique position as being based on a renewable resource. Fishing falls into somewhat the same category, as does the forest-product industry when operation on the "sustained-yield" basis is practicable.

On the other hand, the extraction of minerals and oil use up resources that cannot be replaced, and manufacturing does not in itself "produce." It processes the products of mine, forest, farm.

It is this yearly sowing and reaping — this ability to support succeeding generations of human beings, more numerous with each passing generation — that makes our agriculture basic to our very existence; and that, incidentally, brings forth in our own day statements on the future of Canadian agriculture that often appear contradictory.

Unlimited Land?

We have all heard on the one hand, statements about Canada's unlimited potential farm lands awaiting the plow. On the other —and more recently—it has become fashionable to deplore the wastage of our farm lands through "mining" methods of culture. These, it is claimed, have led to erosion by wind and water that promise to turn fertile fields into deserts.

What roughly is the evidence to support either of these extreme views?

The extensive soil surveys already completed in this country show that areas of land in Canada that might profitably be brought under cultivation are relatively small in comparison with those now farmed, and that they are located in districts less favored by climate for crop growing.

This does not mean that our farmed area will not expand. But the knowledge gained through accurate surveys sets definite limits to what we may expect in the way of expansion in our cultivated acreage, at least in the foreseeable future.

Concerning the second view, I am not one who takes too seriously the pessimistic statements that we are in imminent danger of exhausting our soil resources.

Land Settlement History

We must, of course, have conservation measures since no rational worker can afford to let his plant run down. It is my conviction, however, that we do not need radically to change our farm practices to save our soils and ourselves.

In other words, the Canadian farmer is doing at least as good a job as any other group in our economy.

In every new region thrown open for agricultural development, pioneers do things which to later generations, may seem unwise.

Dr. J. G. TAGGART, C.B.E., deputy minister, Federal Department of Agriculture, has a wide knowledge of Canadian farming and its problems, both east and west. Born to the farm life (near Parrsboro, N.S.), he is a graduate of both the Nova Scotia and Ontario Agricultural Colleges. He has worked with Ontario, Alberta and Saskatchewan farm services, was first superintendent of the Dominion Experimental Station at Swift Current, Sask., where he remained for 13 years, resigning to become Saskatchewan Minister of Agriculture. He held a number of federal appointments in and connected with agriculture in the war, was appointed to his present post, March, 1949.

But closer study may show that at the time and place they were the things that made settlement possible.

In Western Canada, almost within our own day, settlers passed over the rich Regina Plains and often settled on lands that have since been declared marginal or submarginal for farming. Lacking the tractive power to handle the stiff clays, the original settlers quite sensibly took up lighter lands that could be cultivated with the facilities they had.

Similarly, a few generations earlier, settlers in many parts of Eastern Canada first located on the lighter uplands. These were often covered with pine, for which immediate use could be found in erecting their homes and barns, and pine was a saleable article long before a market developed for hardwoods.

Futhermore, these sandy uplands did not require drainage as the clay flats did, and they gave crops of potatoes and Indian corn, planted among the stumps, that made life possible.

Later generations went on to clear the clay flats and in time the less desirable sandy soils tended to remain idle. In some cases they were abandoned — perhaps reforested. But they had served their purpose in the original pioneer settlement of the land.

And who can say that these so-called "abandoned" farms are now useless? One of Canada's most prosperous farming areas, the great flue-cured tobacco district in Norfolk County, Ontario, was a land of "abandoned" farms a generation or so ago. The sandy soil became unsuited to the type of mixed farming practiced originally, but later was found well suited to a type of farming based on special fertilizer treatment and special cropping.

And if other farms in the East must now go back to forest, or light lands in the West to community pastures, their temporary malaise may not, in the long run, have proved too great a price to pay for getting Canada settled.

There is little question, too, that even following "pioneer" days there is likely to be a certain amount of exploitation of land resources while a generation or so of farmers are building up their capital. As population increases and as farmers gather about them the buildings and machinery and livestock needed to give scope to their enterprises, and as markets develop to offer incentive to quantity and quality production, farm practices change to conserve the soil and increase its productivity.

Sustained Land Use

A study of farming in Western Europe would not support the extremely pessimistic views sometimes voiced on world-wide deterioration of soils. At one time, subject to indifferent methods of cultivation, European crop yields a century or more ago had reached a low ebb. But during the past 100 years statistics show these yields have almost doubled, largely due to good soil practices and the liberal use of commercial fertilizers to replace the minerals sold off the land in the form of crops or livestock products.

We in Canada have still a long way to go before the intensive European farming methods and fertilizer practices replace the rather extensive methods suited to a country that is "long" on land and "short" on farm labor.

Even so, if we take as a yardstick the average yields per acre of wheat by 10-year periods over a sufficiently long time, the figures do not support any "blue-ruin" theory.

70-Year Wheat-Yield Record

Period	Ontario Fall Wheat	Manitoba Spring Wheat
	— Bushels Per Acre —	
1882-1891	19.9*	20.5†
1892-1901	20.1	17.7
1902-1911	23.5	18.4‡
1912-1921	23.3	16.3
1922-1931	26.1	16.2
1932-1941	25.9	15.6
1942-1951	29.4	20.9

*1885-1891
†1883-1891 (excluding 1888)
‡Excluding 1907.

The foregoing table shows for Ontario, a relatively "old" farming area as time is reckoned in Canada, a rather steady upward trend in wheat yields, by decades, over the past 60 or 70 years.

To one familiar with the weather and other hazards of crops in Manitoba it is obvious that the variation in yield cannot be related to declining fertility. For years Manitoba wheat crops were devastated by stem rust. With rust-resistant wheats, better weed control and very modest use of phosphate fertilizer, yields in the last decade have exceeded those of the "virgin prairie" in all its abundance.

One final word on this phase: It is well-known that a good farmer can often take a depleted farm and by means of drainage, proper use of lime and fertilizers, and sound crop rotation, bring it back to a high state of productivity in a short time.

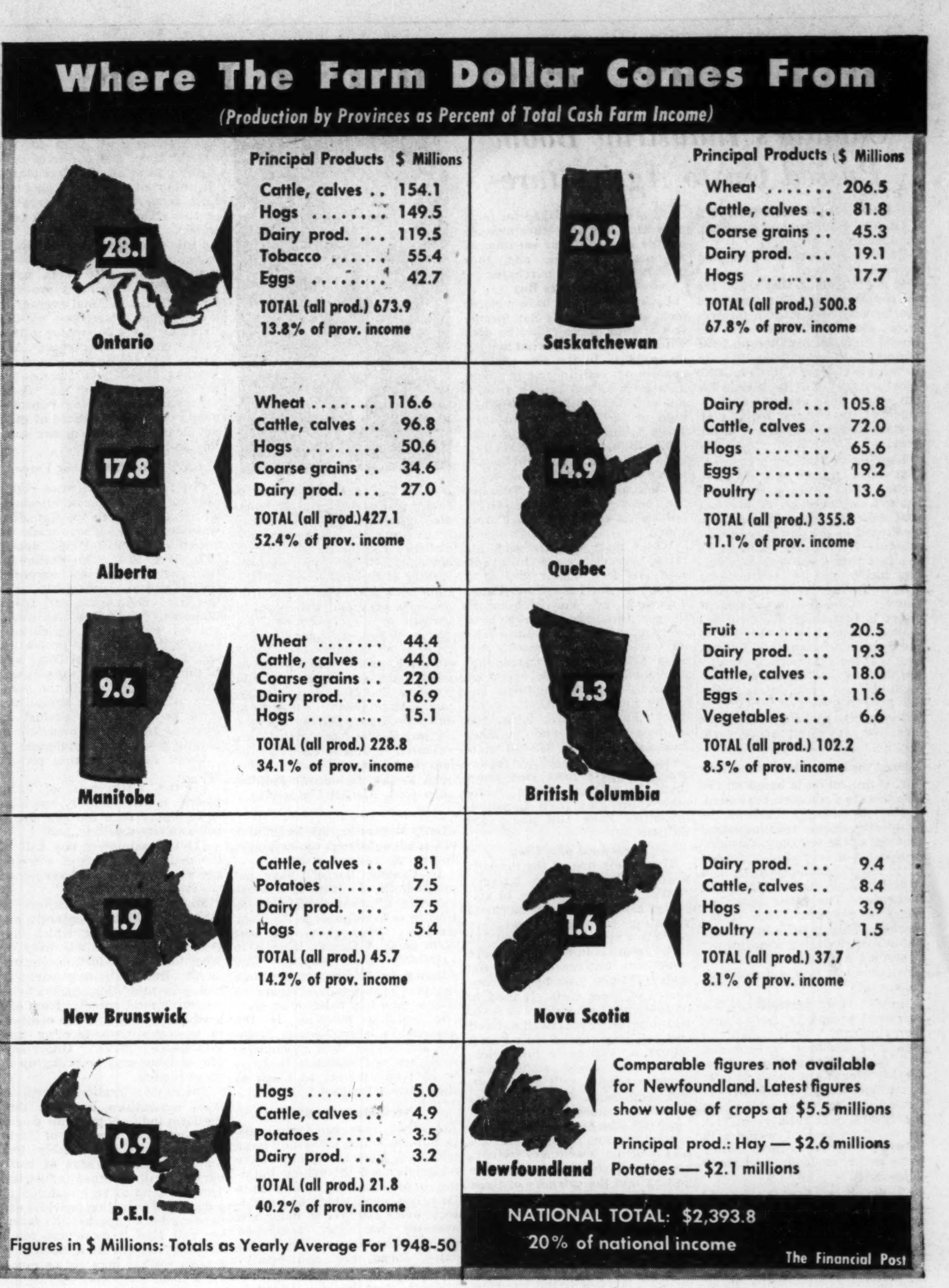
This common example, together with the accomplishments in the tobacco areas of Norfolk County, Ontario, and Joliette County, Quebec, at least show that some of the more extreme statements concerning the permanent destruction of our soils must be taken with reserve.

Unremitting Struggle

If we are to doubt, on the one side, the over-optimistic statements of those who hold that our agricultural potentialities are virtually unlimited, and, on the other, the cries of "blue ruin," there must be some middle ground from which to assess true permanence in Canadian agriculture and find what its requirements are.

Where The Farm Dollar Comes From

(Production by Provinces as Percent of Total Cash Farm Income)



Figures in $ Millions: Totals as Yearly Average For 1948-50

The Financial Post

The extreme measure of soil conservation would be to use the land as nature intended it to be used — leaving certain soil types and certain degrees of slope under forest or grass cover to prevent erosion. To a degree, this is sound practice.

It must be realized, however, that farming of necessity upsets the "balance of nature" to some extent. Living naturally, a limited population on each continent could subsist on fish and game and wild plants.

But mankind has chosen to struggle with nature for a better livelihood for more people than could otherwise be supported. In doing so, man has had to take the risks—to struggle with the diseases and other pests of crops and animals — that may result from his actions. And the struggle must be unremitting. His fate was written a long time ago: "In the sweat of thy face shalt thou eat bread . . ."

In my opinion, permanence in our agriculture involves at least three major considerations: persistent research to solve the problems that are created by the imbalance mentioned; physical works of reclamation and rehabilitation that may be beyond the powers of the individual farmer or farming community; and a degree of economic stability for farmers that will encourage them to follow soil practices that they themselves and agricultural scientists have found to be sound in the circumstances.

Research Progress

In his struggle with nature, man has vastly multiplied the potentialities of food and fibre for an increasingly populous world — but he has usually only been a jump or two ahead. An example may be found in our experience over the past two or three generations with the production of wheat, which plays such an important role in our Canadian economy.

A century or so ago, rust was playing havoc with wheat-growing in Ontario. Failure of the wheat crop in those days was not just a matter of reduced income. It was a matter of going hungry — for there was then no "west" to ship in supplies.

A new settler in Peterborough County named David Fife secured through a friend in the grain trade in Glasgow a bonnet-full of wheat being unloaded from a ship that had just come in from Danzig. Out of this was selected a strain that was resistant to the rust then plaguing Ontario — a strain that, because of its rust-resistance and other good qualities, spread throughout Ontario, then to Wisconsin, Minnesota, and into the newly-opened Red River Valley in Manitoba.

Later known as the famous Red Fife, this wheat had much to do with opening up the Canadian West as a farming country, and upon Red Fife was based the now-celebrated grade, Manitoba No. 1, the world's standard for red spring wheats of superior baking quality.

Red Fife was a chance discovery. Its equally famous son, Marquis, was one of the early results of breeding to meet special conditions, namely, the need of a wheat with Red Fife's quality that would ripen somewhat earlier and thereby lessen the risk of frost and rust.

But nature, too, was busy with breeding work. Apparently she can develop new strains of diseases as easily as she can those of other forms of life. Though resistant to the strains of rust prevalent in Ontario a century ago, neither Red Fife nor its progeny Marquis, was proof against the new rust strains that 20 to 30 years ago threatened to destroy the wheat industry in Manitoba, Eastern Saskatchewan, and the States to the south of them.

From plant breeding laboratories and field plots on both sides of the border came crosses of the quality Marquis with wheats from all over the world that incorporated in their inheritance resistance to these new rust strains —Thatcher and other varieties. Research had saved the day: research in agriculture, but its effect on the Canadian economy went far beyond that.

But the end was not yet. Today a new rust type, known as Race 15B, is threatening the so-called rust-resistant varieties in parts of the United States. Since the spores come north on the winds that bring our summer rains from the Gulf of Mexico, there is no way of keeping them from our Prairies.

Scientific breeding is the sole answer; and it is encouraging to know that, anticipating such a threat, our plant breeders in the Dominion Rust Research Laboratory at Winnipeg have already been at work on this problem for five years and have high hopes of solving it.

New blight-resistant varieties of potatoes from the Dominion Experimental Station at Fredericton recall the terrible "potato famines" that, caused by this late blight disease for which resistance has been sought, decimated the population of Ireland something over a century ago.

Research to meet new problems caused by this necessary interference with nature would make a fascinating story if space were unlimited. Bring together large numbers of dairy cows under one roof, for example, feed them heavily for increased milk production and subject them to the many "unnatural" conditions that are commonplace in up-to-date husbandry, and you open the way to counter-moves by nature that may cause concern and loss until alert researchers again place in the hands of the farmer superior weapons.

Reclamation, Rehabilitation

While most farmers, in my opinion, can be relied upon to follow rational practices of soil maintenance, there are major land development, drainage and irrigation projects which, though necessary to long-range conservation, are beyond the capacity of the individual or even of the local community to undertake.

This appears to be a legitimate responsibility of government — of the people of Canada as a whole, in view of their stake in our most valuable resource, the soil.

In this regard, we have seen remarkable progress within the present generation. Impelled to action something over 15 years ago, when a combination of drought and soil-drifting threatened to lay waste to whole areas of farm lands in the West at a time when a general financial depression made self-help impossible, the Federal Government undertook a large-scale program of rehabilitation that augurs well for the permanence of agriculture in that part of the country.

Methods of cultivation that tend to prevent wind erosion go hand in hand with water projects, from small farm dug-outs or run-off dams, to large irrigation projects depending on dams on main rivers to conserve and use the available water — one of the major limiting factors in western farming.

Lands found unsuited for cultivation have been transferred to federal or provincial ownership, then put down to grass with the double object of preventing soil drifting and providing supplementary pasturage for an increased livestock population in the area served.

Experience has shown that the larger works, such as those required in irrigation projects, are beyond the financial means of the land owners benefiting by them. With the country as a whole providing the initial overhead, however, the lands can carry the burden from there on.

Not only does Canada benefit by giving permanence to the agriculture in the areas served but it seems clear that the taxpayer's investment is likely to be a good one, as irrigated areas produce more varied and valuable crops, thus laying the foundation for many secondary industries and adding to public as well as private income.

Another federal project that is now under way is the rehabilitation of the rich marshlands in the Maritime Provinces — a project that seems the reverse of that undertaken on the dry prairies of the West, since the problem in the Maritimes is to keep the sea off the lands and make them capable of producing, for the benefit of future gerations, the fodder and other products needed for a prosperous agriculture.

Stability the Cornerstone

At the century's halfway mark, it is tempting to look back and see what the past 50 years have shown in the way of developments in any industry. Such a review, I submit, would show astonishing progress in the field of Canadian agriculture. Fifty years ago the Canadian prairies were only beginning to open up, and if in those vast areas we have progressed from the exploitive stage to that of permanence, it is no mean feat.

Probably in all those 50 years, with the possible exception of the worst period of the depressed 'thirties,' we have heard speakers deplore the movement of young men from farm to factory. Yet in physical volume (leaving aside the dollar value), Canadian farms today produce more than two-and-a-half times as much as they did in 1900, and under the stimulus of the special needs of World War II, the volume of production was perhaps three times that of 50 years ago.

In my judgment, Canadian farmers have reason to look forward with a degree of confidence. A decade of relatively good prices for their products has given them an opportunity to improve their physical plant — homes, buildings, machinery — that in many cases had suffered during the depressed years.

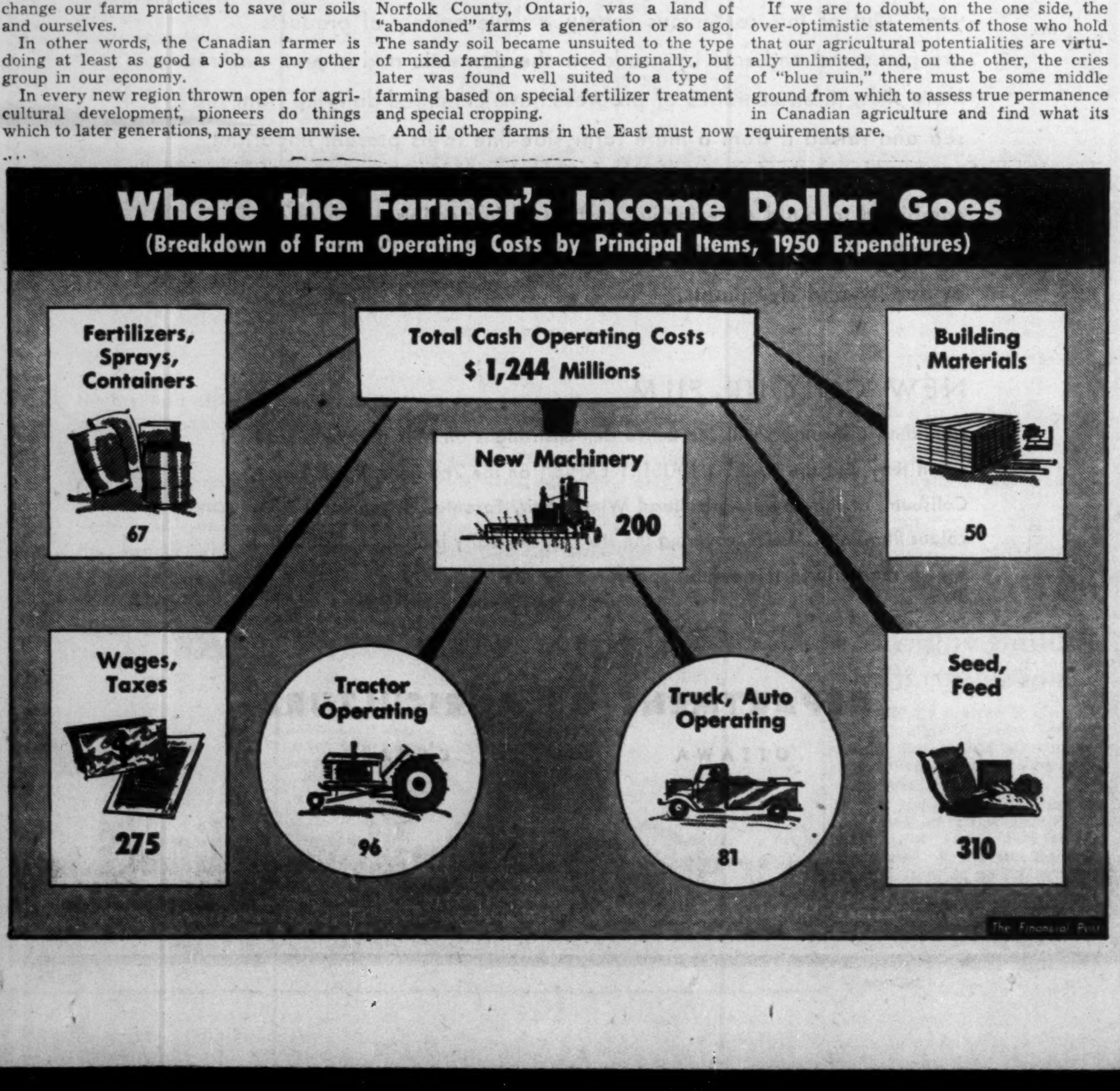
A growing industrial population in Canada is providing a good domestic market for many of the products that formerly had to compete with those of other countries in export channels.

A measure of stability, too, has been introduced through the actions of both provincial and federal governments in setting up such machinery as the provincial marketing acts and the Federal Price Support Act.

But there are limits to what governments can do in the field of stability, and in the final anaylsis the farmers of Canada can prosper only as participants in general economic progress.

Where the Farmer's Income Dollar Goes

(Breakdown of Farm Operating Costs by Principal Items, 1950 Expenditures)



Farm Price Level to Rise in the Next Year?

Canada's Industrial Boom Passed On to Agriculture

By PROF. D. L. MacFARLANE

General conditions excellent. Prospects very good.

That's the situation in Canadian agriculture today.

It doesn't mean that there are no trouble spots. But gross and net incomes of Canadian farmers have been maintained at the record high levels of the postwar period. Cash incomes in 1951 are running higher than those in 1950. Whether they will be higher for the whole year depends on how much of the current wheat crop is marketed before the end of the year.

Looking at 1952, the prospect is that farm prices will continue high. This forecast is made against consideration of the fact that some commodity prices have weakened in the past three to six months. It also takes account of the fact that Canada is just getting nicely into her rearmament effort. To use the words of Mr. Howe, "Canada's rearmament effort is just emerging from the tooling stages." And the size of the defense program is $5 billions over a three year period. Adding the bullish and bearish factors together, and translating them into their influence on agriculture, it looks like a rising farm price level—or at worst no general decline.

Based on Industrial Prosperity

This projection is based on the idea that, to a considerable extent, the farm industry borrows its prosperity from the industrial segment of the economy. Farmers' prosperity is very closely related to production, employment and payroll trends in manufacturing industries. The other factor on which it depends is the export market. This is still important, but it's of declining significance. Less than a quarter of Canadian farm products now enter export channels.

Here's how agriculture has borrowed prosperity from Canadian industry. Employment in non-farm industry is running 10% over the previous year. Weekly wages are about $5 over a year ago. Together, they are reflected in payrolls which are nearly 20% over 1950 levels. This increased income of workers in industry encourages them to buy more or better food. And that's happening.

On the other side of the demand for farm products, the foreign situation, explosive though it is, has provided a profitable market for farm products. Canadian exports of farm products are running about $130 millions ahead of last year. This not only reflects the recovery of European countries, an inflationary situation in United States, but also the influence of E.C.A. and N.A.T.O. aid. While these payments to help European recovery and rearmament are not earmarked for farm products, they take the pressure off the limited dollar earnings of European countries, and thus permit larger food purchases.

What Farmers Buy

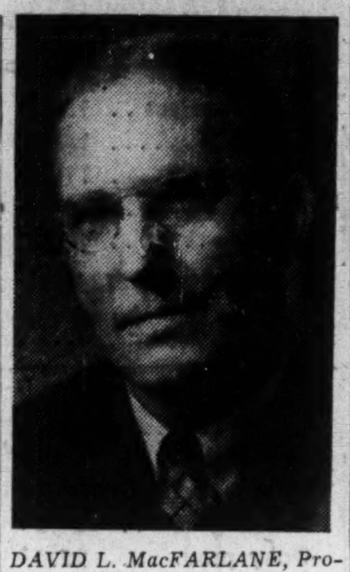
Let's go back and have a closer look at the farmer's net income and attempt to see what he does with it—particularly what he may do in 1952. In the five postwar years gross cash income of Canadian farmers has ranged from a low of $1,742 millions in 1946 to a high of $2,459 millions in 1949. Their net income has ranged from $987 millions in 1946 to $1,543 millions in 1948. The difference between gross and net is made up of cash operating costs. This has run between $1,000 and $1,100 millions in each of the last three years.

While most of this goes for taxes, interest, wage bills and seed and feed, about 40% of it represents purchases from Canadian industry. For instance, in the past three years farmers have averaged over $80 millions a year on tractor operating costs. Another $75 millions has gone into automobile and truck operating expenses. And $60 millions annually into farm machinery repairs. Fertilizer has taken $35 millions a year, and building materials another $45-$50 millions. Fruit and vegetable sprays and containers have cost more than $25 millions a year, while other purchases from Canadian industries have run about $50 millions.

Regardless of a Crop

That's only one of the markets provided by Canadian farmers. And it has a fair degree of stability about it. Most of these operating costs go on whether there is a crop failure or not. In fact, farm policy analysts are sometimes concerned about the high level and year to year constancy of these costs. It used to be that only such outlays as taxes and interest were in the fixed cost category. Faced with a crop failure or extremely low prices the farmer could make some haywire repairs, pull in his belt, and keep going. But mechanization has changed the cost structure of the industry. Large expenditures on tractor and truck fuel and on machinery repairs are now unavoidable and thus are getting into the category of fixed costs. It means that the farmer represents a less fluctuating market for industrial products.

What do farmers do with their net cash income? First, they pay family living costs—and the farmer's level of living has gone up more since prewar years than the city worker. Second, they make capital expenditures. For instance, new machinery purchases have run over $200 millions a year in each of the past four years. And there is no indication of any decline in the inclination of Canadian farmers to mechanize. In fact, the reverse is true.



DAVID L. MacFARLANE, Professor of Economics at Macdonald College, McGill University, is a graduate of Agricultural College, University of Saskatchewan, with postgraduate studies at U. of Minnesota, Chicago and Harvard. After five years as professor and research worker at University of Kentucky, he joined Prices Board at Ottawa as economist in Foods Administration, and for three years was in charge of United Nations Relief Administration purchase program for meats and dairy products. During the past six months he has worked on a research problem on farm labor mobility under the grant of a Senior Industrial Fellowship from McGill University.

In Canada, farmers have not mechanized so much as a move to more efficient production as they have in response to the labor situation. Throughout the best farm areas of Canada labor is in extremely short supply. The situation in 1951 was worse than in previous years. Where a tractor or a hay baler or an electric milking machine is the answer to a labor shortage, farmers are buying such machinery. And they will continue to do so in the coming year as much as they have in the past.

Need More Building

Another area of capital expenditures which will enjoy large purchases from farmers is in the materials used in making building improvements. I was on a farm last week which had buildings over 100 years old. The operator has just purchased enough galvanized roofing for his dairy, sheep, hog and poultry barns. The old roofing was wood shingles. And he had turned to metal largely because it could be put on with much less labor.

There's not only a great deal of such improvements being made on our farms, but farmers are turning more and more to those manufactured products which require little labor in their use. That's a critical point at the present time, and our most progressive farm suppliers are taking advantage of it. And the long run farm labor trend being what it is, this state of affairs will continue.

Still another type of capital expenditure which promises a good farm market is in home conveniences. Farmers are still far below the national average in these items. Purchases in this field will likely be greater in 1952 even than in recent years. And this is for the reason that those farmers who have made the necessary investment for mechanization and building improvements can now put more of their net income into convenience items for the home.

Only One Fifth Labor Force

The farm labor situation referred to above raises questions which are basic to the Canadian economy. The labor force in agriculture has declined nearly 30% since 1939. The decline of the past two years exceeded 100,000 and was almost 10%. For the first time in our history fewer than one fifth of Canadian workers are engaged in agriculture. During the 1930's this proportion was fairly constant at 25%; and at the turn of this century it was 50%. These declines in the numbers of workers in agriculture must be interpreted against an increase in farm production of 25% to 30% in the past decade.

Other factors in this picture are:

(1) the birth rate of farm people is considerably, perhaps 50%, higher than the rate applicable to city dwellers, and

(2) approximately one half of the male immigrants of working age who enter Canada have joined the farm labor force.

Migration from agriculture to other occupations apparently exceeds 50,000 per year, which suggests agriculture is adjusting its labor force to production requirements. But this is only partially true. The migration appears to be occurring most speedily from our productive farm areas in contrast to our part-time farming and subsistence areas. Under-employed labor may be piling up in these regions.

The rapid migration of workers from agriculture indicates that the farm industry pays low wages and that the incomes of farm operators are considerably less than those of workers of comparable skill in other industries. Thus, so long as an expansion of industrial production provides expanding work opportunities farmers will find it more and more difficult to secure labor. Sometime a farm worker may get as much for a 10-12 hour work day as the man who has an 8-hour day sweeping floors in a paper mill. But that is still far off. The trend however, is in that direction and it will go on regardless of policies which encourage or discourage it. City people will pay for it in terms of adjusting their household budgets so as to give an increasing proportion of their total outlays to food.

Commodity Roundup

Crop reports as recent as a month ago described the 1951 wheat crop as the largest in history. In terms of bushels the estimate was 579 millions. However, the situation has deteriorated considerably since that date and the size of the crop as well as its quality is not yet accurately known. Over half the crop went under snow either in windrows or standing in the field. As much as 20% of the crop may not be threshed until spring.

Of the marketings from Aug. 1, until early October just over one third fell in grades No. 4 or higher. In later marketing the proportion may be considerably less. The occurrence in two successive years of very large and poor quality crops means that much wheat will be fed to livestock over the next two or three years. Further, the 1951 crops of oats and barley are comparatively large. Then too, the carryover of oats, barley and low grade wheat on July 31, 1951 was about twice as great as that of the previous year. Together these factors will likely have the effect of moderating the very high price of livestock and livestock products.

Marketings of all classes of livestock in 1951 declined from levels of the previous year. The indicated extent of these declines is 10% in cattle and calves, 5% in hogs, and about 20% in sheep and lambs. However, available estimates point to substantial increases in 1952 hog production, and to a slight increase in beef.

Poultry numbers are clearly on the increase in 1951. A June survey showed the numbers of chicks on farms to be 48% over the corresponding date in 1950. But it is yet too early to get the influence of these larger numbers expressed in terms of lower egg prices. The 1951 hatching season was very late. However, relief will come. It is expected that egg prices will decline more than seasonally in December and January.

The Dairy Situation

The dairy situation is of particular interest because of the way in which margarine has taken a hold on Canadian consumer markets.

About 100 million pounds of margarine will be consumed in Canada this year. Butter production is running about 5% under 1950 and nearly 15% under the premargarine period. Deficits in the supply of butter to Canadian consumers this winter will be made by imports. The sole import agency, the Agricultural Products Board, has been authorized to import 10 million pounds and to secure options on a further 10 million pounds. These imports are under the very strict controls imposed by the Minister of Agriculture. Mr. Gardiner has stated very bluntly that no Government of Canada could exist if it failed to carry out a strong protectionist policy favoring our dairy farmers. I don't want to make political judgments, but I suspect he is right.

Farmers have been fortunate that nature intervened to bring a smaller apple crop in 1951. This is apparently one of those farm products where a small crop returns producers more than a large one. However, despite the small yields export outlets will still be required. The United Kingdom has already indicated that it will release some Canadian dollar exchange for the purchase of apples. But not much. The real trouble spot in apples over the past 10 years has been Nova Scotia. This was due to the loss or near loss of the U. K. market, to which the area had been geared for generations.

In every year from 1939 through 1950 there has been some Federal aid to Annapolis Valley apple growers. However, last spring farmers in that area voted to put the Nova Scotia Apple Marketing Board out of business. I believe that Mr. Gardiner would not object to continuing the apple subsidy, but the growers' action may deny him the opportunity to do it.

The farmers' action in rejecting the Apple Marketing Board doesn't mean that there has been any fundamental recovery of this sick industry. The vote apparently turned on issues very minor to the basic one of the long range advantage of government marketing. I suspect that only one and certainly not more than two Nova Scotia apple crops will be merketed through private channels.

Public vs. Private Marketing

Public interest in agricultural affairs in 1951 reached a peak in May with the announcement by the government of a $65 millions settlement with farmers for wheat marketed under the four-year Canadian-U. K. wheat contract. The payment was made largely on the grounds that the Government could not successfully negotiate with the U. K. for a higher price for wheat marketed in the last two years of the contract.

The issues which arose at that time are worth noting because they illustrate the type of problem involved in governmental marketing. The contract contained a "with regard to" clause. Under this clause the price in the final two years of the contract was to be agreed "with regard to" a number of circumstances which could not be foreseen at the time the contract was signed. The U. K., with pressure on its dollar reserves, and enjoying the security of another long term contract under the International Wheat Agreement refused to accept any of the very convincing reasons which justified a substantial final payment in closing out the contract. The Canadian Government, exceedingly embarrassed by its inability to negotiate a final payment, decided to pay $65 millions out of public funds.

An objective appraisal suggests that the $65 millions was considerable less than the difference between the price farmers secured under the contract and those which would have prevailed in the free market during the contract period. The issue then turned on the wisdom of the Government in negotiating any contract which involved a large contingent liability to the taxpayer.

The Wheat Agreement

An interesting feature of the International Wheat Agreement is that like the U. K. contract, Canadian wheat producers will likely get less for their wheat than world prices would indicate. The Agreement provides for an annual range of prices which decreases in each of the four contract years. Since the Agreement came into effect more than two years ago prices have been at the maximum allowed. The prospect is that this condition may prevail in the two remaining years which the contract has to run. The Canadian Wheat Board is currently selling wheat at about $1.96 a bushel, basis Fort William, under the Agreement. Wheat sold outside Canada but in "non-Agreement" markets brings about $2.40. An interesting feature of the present system is that the Board sells wheat to Canadian millers for domestic consumption at the $1.96 price. The reason for this is not clear, but at least it has a wholesome anti-inflationary effect. Any estimate of the probable cost of the Agreement to Canadian farmers is both complicated and dangerous. But it appears that throughout the Agreement period Canadian farmers will be called upon to sub-

(Continued on page 22)

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DEPARTMENT OF AGRICULTURE

OTTAWA — CANADA

How Science Helps Boost Farm Output

Industry Co-operates in Research to Solve Farm Problems

By RUPERT D. RAMSAY
General Secretary, Agricultural Institute of Canada

RUPERT D. RAMSAY

The top six inches of soil on Canada's 175 million acres of occupied farm land is our greatest national asset.

Depending on the husbandry practiced by 730,000 farmers, this nation has plenty or poverty. Beyond our boundaries go wheat, bacon, barley, beef, cheese, apples, potatoes and other farm products to feed a world in which the top six inches has been neglected or where Malthus' theory is at work. The long time agricultural problem is to maintain our soil. Canadians as yet are not conscious of the soil degenerating forces at work and are not mentally conservation-conscious.

In addition to feeding 14 million people on the world's best national diet, our farm production is powerfully influenced by export demands. Our place in export trade came with the introduction of grading standards for farm products and is maintained on the basis of quality.

It is interesting to note that in 1926, the sale of wheat provided 44% of all farm income, but in 1948 wheat brought in only 23% of the total while livestock products rose progressively from 38% in 1926 to 54% in 1948. Canada exports food products to nearly 100 countries, products valued at roughly $900 millions. The proportion of exports destined for the United States rose from 39% in 1947 to 65% in 1950.

This change in destination is the cause of some concern, because the United States is usually considered a good surplus area and continuity of demand may not be dependable. United Kingdom demand is influenced by international sterling values and at the moment we are in an adverse situation. It is estimated that about 37% of our farmers produce directly for export.

Advance of Mechanization

During the past quarter century, the great change in farm production has been wrought by mechanization. The process has been accelerated by scarce and costly labor. In a decentralized industry this change has required large capital outlay and today equipment costs approximate land values. This is a stumbling block for young farmers most of whom are without capital and no source of credit is yet available.

But mechanization is here to stay. It has increased efficiency, increased the size of farm units and made possible the completion of immense farm operations in short periods. The use of electricity has made farm life much more acceptable to women and has maintained such enterprise as dairy production, which would no doubt have dropped terrifically if hand milking were still in vogue. The marriage of power to raw material has really revolutionized the production process but has caused rural social problems which are not yet solved.

The instability of farm income in many areas is a matter of national concern. In the Palisser triangle the problem is low precipitation; in the Maritimes it is tide water and drainage: in B. C. swift running streams erode and flood, in Central Canada it is under-drainage and leeching. Controlled water may well be the agricultural watchword of the next 50 years. Notable irrigation developments are on the way in the West, while marshland reclamation and drainage developments are forging ahead in the East. PFRA and MMRA are finding answers to many of the basic questions.

Research in Agriculture

As time moves on, agriculture takes a cue from industry and producers become aware that science can do more for them than it has done so far. Chemists, biologists and engineers are becoming increasingly important in the production picture.

The Federal Department of Agriculture through its Science Service and Experimental Farms Branches, has become the greatest fact-finding institution for farmers. It is now the largest single employer of agricultural skills in the nation. Science Service continuously carries on research and investigation and works hand in hand with the Experimental Farms Branch, which by experiment and demonstration at some 300 locations across Canada brings close to producers proven profitable practices, varieties and control measures.

Provincial governments maintain agricultural colleges which are constantly alerted to farm problems. Some provinces maintain demonstration farms and some have research laboratories or foundations.

Industry, which services agriculture with the 200-odd commodities which farmers buy, is another important partner in the Canadian research team. Extensive work has been done for example by industry on machinery, fertilizers, pest control, weed control, animal nutrition, disease control and building construction.

Notable, also, has been the direct financial contributions made by industry to scholarship assistance for the training of research men. It is worthy of mention that 76 scholarships have been administered by the Agricultural Institute of Canada in the last six years and all were paid for by industrial contributions.

But many problems still want solutions. Governments are limited by finds, industry by lack of skilled help and our country is so regionalized that problems are sometimes quite local in nature. There is need for more research. Furthermore it is alleged that there is a delay in the implementation of new proven farm practices by producers. This could be overcome if producers had a real and individual stake in research. If Canadian farmers had an inclusive organization they could well consider the plan evolved by the North Carolina Farm Group which levied upon themselves a small tax earmarked for urgent research work. They call it the "nickel for know-how." In spite of free and efficient agricultural extension services by both Federal and Provincial jurisdictions and private industry, newer knowledge is still too slowly implemented in farm practice. Considerable concern over this delay is expressed by professional agriculturists today.

Most Promising Fields

Newer features in the production pattern are uses of fertilizers, pesticides and herbicides. In 1950 roughly 800,000 tons of phosphate-nitrogen fertilizer increased yields appreciably; about 14 million acres were sprayed by a 2-4D weed spray and grasshoppers, tent caterpillars and a myriad of other insect enemies were kept in control by insecticidal sprays. The use and availability of these products is a tribute to the combined efforts of governments and industry.

In animal production, relatively new ideas are the use of antibiotics and the animal protein factor. Both of these products used in conjunction with good basal rations, increase growth rates and digestibility efficiency. The former influences digestive tract biological life and the latter (sometimes called B_{12}) appears to be a growth stimulant.

Genetically speaking, hybrid plants and animals are appearing in many spheres of production. The cross-bred inherits a tendency to growth and vigor, known as "hybrid vigor" not found in the pure blooded parents. Corn breeders, poultrymen and hog producers are capitalizing on this prank of nature. Curiously enough, nature limits the extent of the practice by reducing offspring fertility if parent types are selected outside of the same genus (e.g. mule and cattalo).

The blending of plant characters to obtain new economic virtues goes on continuously at plant breeding centres. Rust-resistant and saw-fly resistant wheat are two examples of what plant breeders can do given a little time and a wide selection of breeding material.

The application of science to production in agriculture opens up a wide field of opportunity for scientists and could result in duplication of effort. Canadian agricultural scientists have organized the Agricultural Institute of Canada with one of its objectives being to promote the freer interchange of scientific information. This organization has over 3,000 members residing from one coast to the other and in all spheres of scientific activity. The Agricultural Institute recognize that service to the public, producers and consumers is the final test of a professional body's reason for existence. It can and does assist the application of science to agriculture and holds that this function means more food produced at lower cost.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

FEDERAL GRAIN LTD., Winnipeg, net profit of $685,586 for the year ended July 31, 1951 was up 27.8% from the previous year's net of $536,553. The net includes $100,867 ($118,392 in previous year) profit on disposal of fixed assets, etc. Excluding this, net profit was $584,720 ($418,161). Patronage dividends amounted to $326,905.

Volume of grain handled shows a considerable increase over the previous year and company continues to maintain its relative position on country elevator markets where it has elevators, President H. E. Sellers says. Results indicate that the company and its elevator agents enjoyed the continued good will of its customers.

This year's grain crop, may prove to be the largest crop ever grown in Western Canada, the estimates at the present time indicating a production of 1,152 million bushels. Due to rain and snow in the latter part of September, grades will be lowered to some extent and there may also be a reduction in bushels. Due to congestion at some country and terminal points and the over-all transportation problem, it is difficult to estimate whether company's handling will exceed last year's figures.

Expenditures made in building new elevators, remodeling others and the addition of extra equipment amounted to $266,000. Annexes, cottages and coal sheds required a capital outlay of $429,000. On other properties $112,000 was spent.

Referring to a graph which shows the increased costs in construction, operating expenses and taxes for country elevator operation Mr. Sellers notes that while expenses have increased enormously, generally speaking the handling charge received for grain handled through country elevators is the same as in 1939, and the storage rate is now lower.

In accordance with the reorganization plan, $75,000 has been set aside for redemption of preferred shares.

CONS. INCOME ACCOUNT

Years Ended July 31:	1951	1950
Net earnings	$1,860,977	$1,640,473
Less: Depr.	667,790	596,252
Bond int.	181,468	188,060
Res. for alter.	......	100,000
Income tax	427,000	338,000
Add: Prof. on prop. sale	▲100,867	▲118,392
Net profit	685,586	536,553
Less: Pref. divd.	369,000	270,000
Surplus for year	316,586	266,553
▲Credited through surplus in co's accts.		
Times Bond Interest Earned:		
Before depr.	10.25	8.72
After depr.	6.57	5.55
Earnings per Share† and Dividend Record:		
Pref.: Earned‡	$4.57	$3.58
Paid (new)	0.83	....
Paid (old)	8.15	6.50+2.50*
Cl. A & B:		
Earned	2.38	1.71
None paid.		

*Arrears.

‡Based each year on new pref. after 5-for-1 split for comparative purposes.

†**Note**—Includes invest. and asset sale prof. of $3.36 in 1951, $3.95 in 1950, per pref. sh.; 50c, 59c. per A & B sh.

CONDENSED CONS. BALANCE SHEET

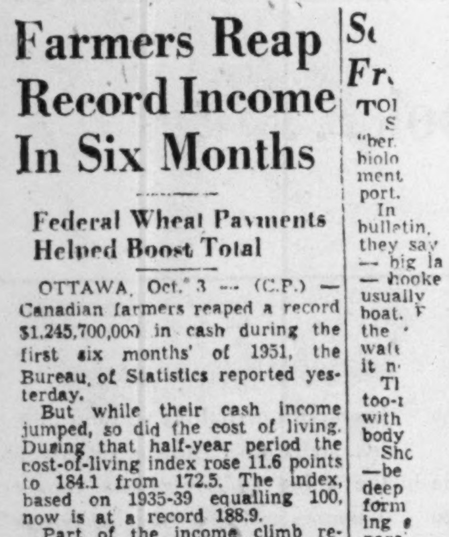
As at July 31:	1951	1950
Cash	$402,205	$376,462
Accts., etc., rec.	632,064	534,203
Inventories	17,899,577	9,471,983
Total curr. assets	18,933,846	10,382,648
Prep. exp.§	179,184	103,777
Def. chgs., etc.	49,824	72,992
Invests.	292,660	549,103
Invests. in other cos.	938,492	......
Fixed assets*	6,832,322	6,800,303
Total assets	27,226,328	17,908,823
Bank loans (sec.)	7,825,679	880,130
O/s cash tkts., etc.	4,767,176	3,818,087
Patronage divd.	326,905	276,229
Accts., tax., etc., pay.	1,779,958	1,234,242
Total curr. liabs.	14,699,718	6,208,688
Emp. pens. res.	153,471	141,471
Res. for alter.	200,000	200,000
Funded debt	5,300,000	4,800,000
Capital stock	4,250,000	4,250,000
Distrib. surplus	295,066	295,066
Earned surplus	2,328,073	2,013,598
*After depr of	12,142,852	11,699,668
§Incl. in curr. assets in co's accounts.		
Working capital	4,234,128	4,173,980

Fahralloy Builds Orillia Addition

A $600,000 addition to the plant of Fahralloy Canada Ltd., at Orillia, Ont., should be completed and in operation by August of next year.

The expansion involves expenditure of about $200,000 on plant and about $400,000 on equipment. It will add 20,000 sq. ft. and increase normal employment from 200 to about 240, increase investment in plant and equipment by 100%.

The company is a fabricating subsidiary of Falconbridge Nickel Mines Ltd.


Farmers Reap Record Income In Six Months

Federal Wheat Payments Helped Boost Total

OTTAWA, Oct. 3 — (C.P.) — Canadian farmers reaped a record $1,245,700,000 in cash during the first six months of 1951, the Bureau of Statistics reported yesterday.

But while their cash income jumped, so did the cost of living. During that half-year period the cost-of-living index rose 11.6 points to 184.1 from 172.5. The index, based on 1935-39 equalling 100, now is at a record 188.9.

Part of the income climb resulted from a special $65,000,000 Federal payment to Canadian wheat farmers to clean up a controversial four-year Anglo-Canadian wheat deal.

1945 Record Exceeded

The half-year cash income was 8,518,000 higher than the $887,-00 in the first onths of and jump 300.00

Bumper Cash Income spells bumper sales for rural Canada..!

With a new high in cash receipts for the first half of 1951, the Canadian farmer is well on the way to another record-smashing income year!

More purchasing power on the farm means **more** selling power for the advertiser who has goods and services for this rich market . . . That's why it is sound business to concentrate your rural advertising in the Family Herald and Weekly Star. ONLY the Family Herald can give you coast-to-coast coverage of rural Canada and, in addition MORE circulation than any other Canadian farm magazine.

OVER 400,000 EVERY WEEK!

Write the Advertising Manager at Head Office for a copy of the Family Herald's latest analysis of circulation, together with comparative facts and figures on Canada's farm market.

Family Herald and Weekly Star
CANADA'S NATIONAL FARM MAGAZINE
Head Office — 243 St. James St., Montreal, Que.

...AND WHAT'S MORE IT HAS TIMKEN® BEARINGS

Known as "the biggest little tractor in the one-plow class," this Massey-Harris "Pony" tractor is ideal for farms up to 50 acres. And Timken bearings in the tractor help keep it plowing!

HERE are a few of the selling points Massey-Harris dealers use when talking to prospects about the "Pony" tractor: It's especially adapted to small farm use. It's also widely used on larger farms as an auxiliary. It has a 62 cubic inch motor that develops 11.08 horsepower on the drawbar.

And what's more it has Timken® bearings! Farmers know those words mean once-a-season lubrication, fewer breakdowns, easier operation, higher towing speeds, greater availability of the implement and longer life.

Because of these advantages, sales come easier when you can tell a customer that the implement or tractor is equipped with Timken tapered roller bearings.

The Timken Roller Bearing Company, Cable address: "TIMROSCO—Canton, Ohio".

CANADIAN PLANT: St. Thomas, Ontario.

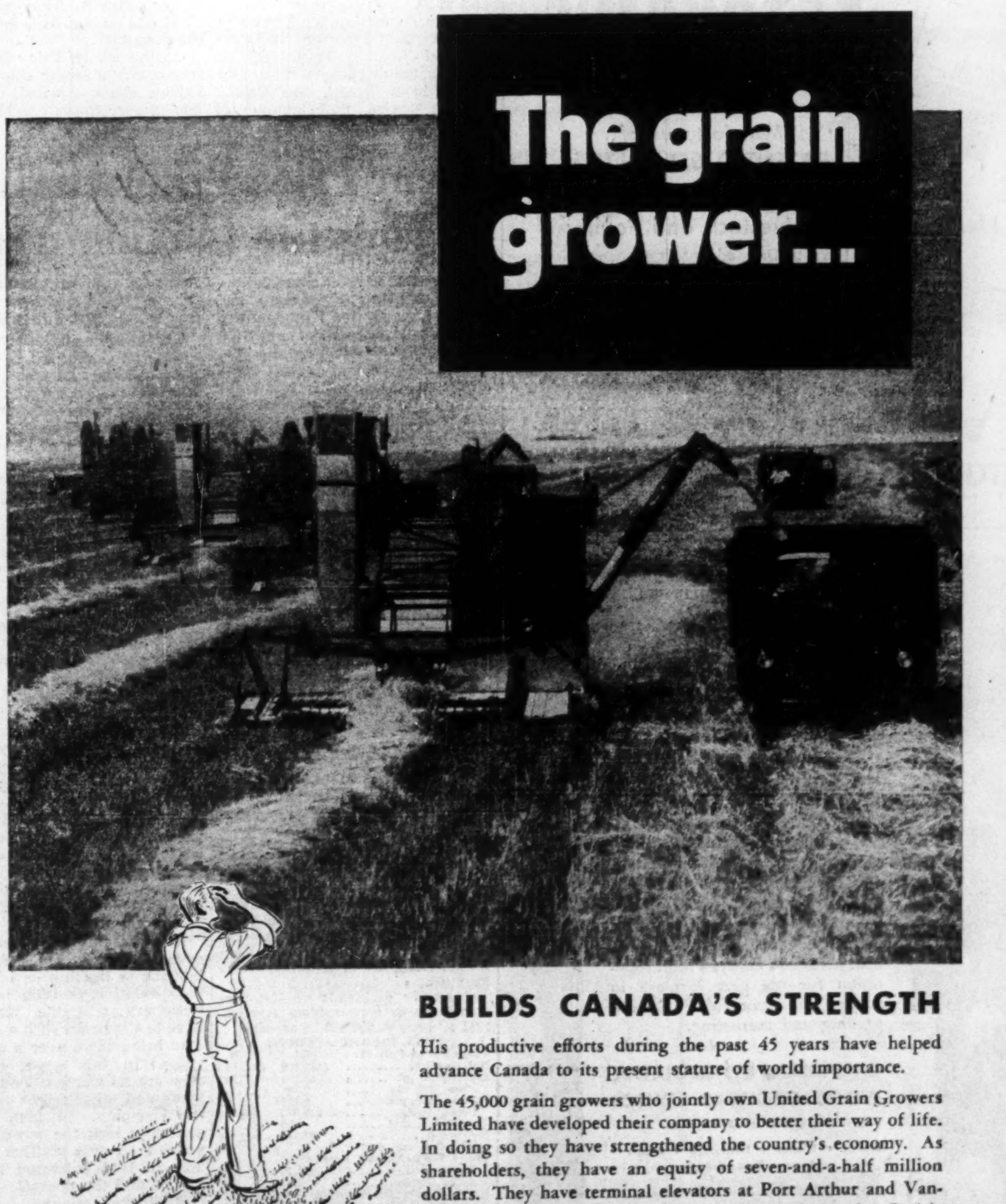
U. S. PLANTS: Canton, Columbus, Mt. Vernon, Wooster and Zanesville, Ohio; Colorado Springs, Colorado.

EVERY NEW FARM TRACTOR HAS TIMKEN BEARINGS... MORE AND MORE IMPLEMENTS ARE USING THEM, TOO!

Always point to your extra sales point →

Tapered Roller TIMKEN BEARING EQUIPPED

NOT JUST A BALL ○ NOT JUST A ROLLER ▭ THE TIMKEN TAPERED ROLLER ▭ BEARING TAKES RADIAL ↕ AND THRUST → ← LOADS OR ANY COMBINATION ✳



BUILDS CANADA'S STRENGTH

His productive efforts during the past 45 years have helped advance Canada to its present stature of world importance.

The 45,000 grain growers who jointly own United Grain Growers Limited have developed their company to better their way of life. In doing so they have strengthened the country's economy. As shareholders, they have an equity of seven-and-a-half million dollars. They have terminal elevators at Port Arthur and Vancouver—and 617 country elevators throughout the Prairie Provinces.

CANADA'S FIRST GRAIN CO-OPERATIVE
UNITED GRAIN GROWERS LTD.
WINNIPEG SASKATOON EDMONTON CALGARY

'The Royal' Helps Set Food Standards

Rules Encourage Exhibitors to Meet Consumer's Demands

Though it is a major social event of the season, the Royal Agricultural Winter Fair of Toronto is also a practical farm development of the greatest importance.

For almost 30 years the Royal, which opens Nov. 13, and similar shows throughout the country, have been setting agricultural standards. Here the Canadian farmer and other citizens too will see the best, the most profitable, in livestock, field crops, flowers, fruit and scores of other produce of our farms.

Equally important today as its original purpose is the Royal's task of developing new markets and protecting old ones by constant improvement of livestock and farm produce.

Armed with these dual-purpose objectives, the Winter Fair keeps abreast of the times by actions, all designed to help increase the quality of the nation's agricultural produce.

Help Set Standards

For instance, when Winter Fair experts found that the meat packing industry wanted slimmer beef cattle, rather than the traditional weighty show animals, official weight classifications were revised to bring about the industry-wide "reducing" campaign. Consequently most of Canada's leading beef breeders started raising lighter cattle in order to meet the fair's new regulations. The result, say fair officials, was a secure market for the farmer and better meat for the consumer.

Often policies laid down at the committee meeting level at the fair have a far-reaching effect. Typical is the trend this year in potato classes. Potato experts have found that in most cases cost-of-living conscious housewives tend to buy fewer potatoes when quality is down. What the consumer wants, fair officials state, is a smooth-surfaced potato that is free from waste-causing irregularities and one that cooks white and mealy. And that's what judges at the Royal will be looking for this year when they judge samples of seed potatoes, on which depend the quality of next year's crop.

Two other experiments, one which drove home to poultry raisers the need for smaller turkeys that were small enough to fit into apartment-sized ovens and another which demonstrated new methods of packaging cheese and consequently was responsible for opening up a market for Cheddar cheese, are typical of dozens of other exhibits which have paid off in big dividends, both for the consumer and farmer.

The fair works in direct cooperation with all of Canada's 10 provincial governments, as well as with federal authorities, in preaching to farmers its doctrine of constant improvement of national agricultural standards. Working year-round with Winter Fair officials, trying to discover and sell to the farmer improved methods of farming, are thousands of government agricultural experts.

Exchange Ideas

While fair officials often point the way to a better way of farming through a special exhibit or competition, the farmers themselves are constantly bettering their crops and livestock by exchanging tips and new ideas. In this way the Royal gives farmers an opportunity to trade hard-won practical knowledge by bringing thousands of them together under one roof. Thus, by passing on a tip to a fellow farmer from Nova Scotia, a colleague from British Columbia could prevent a crop failure.

Winter Fair officials are not losing sight of the fact that today a nation's might is often based on the number of bushels of wheat it can produce, rather than the number of guns it makes.

In reviewing the world importance of Canada's agricultural output, C. S. McKee, general manager of the Fair, said: "Canada, with its agricultural wealth, is destined to play a leading role in world affairs. Today, with the world at a critical pitch and with all Europe and Asia dependent to a great extent on North America for their food supply, Canada may well be called on to redouble its agricultural output. Only by constantly improving the quality of our agricultural produce and by increasing the efficiency of our methods, by the application of soil conservation, improved breeding, irrigation and other similar mediums, can we hope to improve our production.

"With this in mind the Royal is constantly adjusting its program to make sure that Canadian farmers have before them at all times, in the form of the Royal Winter Fair, an example of the highest agricultural standards in the world," Mr. McKee concluded.

This Year's "Royal"

In line with the importance of agriculture in world affairs, fair officials are going all-out this year to present a record Royal.

Exhibited this year will be almost 1,300 horses, over 2,300 cattle, 650 sheep, 680 swine and almost 7,000 poultry plus hundreds of other exhibits such as seed and grain, fruit, vegetables, tropical fish, dairy products, flowers, honey and poultry products.

Although modern agriculture claims the limelight, the horse show with all its pomp and pageantry is one of Canada's most popular annual events.

There, horse-lovers, who range from the Governor-General himself and other dignitaries from the United States, Europe and South America, to office workers, housewives and children, will see some of the best riders and horses in the world.

Every type of horse from 2,000-lb. Percherons to dainty Shetland ponies will take part.

Top prize money, as always, will be a feature. Hundreds of exhibitors will compete for $32,000 worth of prize money, including 10 $1,500 stakes.

Horse Show Feature

Feature attraction at the '51 horse show will be 10 officer-riders of the Cadre Noir, an elite cavalry corps from France's famed military academy at Saumur.

The Cadre Noir, or Black Corps, so named because of its black dress uniform and black half-Arabian stallions, has a history dating back to the reign of Louis XV.

Members of the Cadre, who in French military circles are the elite of the elite, are officers picked for their outstanding military records as well as equestrian skill. They act as instructors at the Saumur military school, but in the era when cavalry was still used on a major scale, members of the Cadre were called on to command crack squadrons of mounted troops in time of war.

The school was founded in 1771 by the Duke of Choiseul, then France's minister of war. During its 180-year-old history it has played a major role in French military history. The U.S. army used the school as an advance military base in World War I.

Saumur made headlines during the last war as a fierce point of resistance against the German army. Hundreds of the school's cadets died while defending the bridges along the Loire River before Dunkirk.

Although most countries have long since put their cavalry schools on the shelf, France still maintains Saumur because "it teaches officers daring and courage." And it must, because 2,000 graduates of the school were killed during the first war.

Riders of the Cadre, dressed in their striking black uniforms and lavish gold trimmings, are expected by fair officials to provide suitable successors to the R.C.M.P. musical ride and Spanish Riding School, feature attractions of 1949 and 1950.

Again competing for honors in their friendly feud for the International Challenge Trophy will be foreign jumping teams. This year teams from Brazil, the United States, Mexico, the Republic of Ireland and Canada will compete in the events.

Two new world championships, boosting the total offered to eight, will be up for competition this year in the fair's seed, grain and hay show. In addition, European growers will compete for the first time. Entering the seed and grain show will be France, Sweden and possibly England. A particularly strong U.S. entry is expected, with entries already in from a dozen states.

While Canadian grain growers have swept the majority of the championships since the seed and grain show was first opened to foreign entries in 1949, European and U.S. participation is expected to provide keener competition this year. Thus far, U.S. contestants have only been successful in winning the corn world championship.

One of the most tangible improvements made this year at the fair is the renovation of the Royal's massive six-acre cattle building, where 2,300 head of cattle will be quartered this month. Improvements include portable stalls, a new floor, an improved lighting and ventilation system, and a new paint job.

Cattle Shows

So large is the cattle entry this year that many cattle will be quartered in the sheep and swine buildings.

As always, the auction sales will draw big crowds of buyers from the U.S., South America and Canada. Sometimes referred to as "the stock exchange of the back forty," over $300,000 worth of cattle and agricultural produce were sold there last year.

Beef cattle will be more in the limelight as a result of a move to increase public interest in this division. Both the main beef cattle events, the judging of the grand champion steer and King's Guineas baby beef calf, will be held in the big horse show arena instead of in the fair's small arena where these classes have taken place in other years. The Guineas, founded by the late King Edward VII, will be presented to the winner of the boys' and girls' contest by the Governor-General.

Another first this year will be an auction sale of Ayrshire cattle. In the past beef cattle sales have been held successfully at the Royal, but the Ayrshire sale marks the first time dairy cattle have been auctioned. If the sale is a success, a series of dairy cattle auctions may be held at future Royals.

The apple eating public will have a better opportunity of inspecting its favorite fruit this year. The apple exhibits will be moved to the flower show, where it is expected they will capture a bigger audience. The flower show itself will be improved by altering the floor plan.

On the whole, Fair officials are forecasting a larger show. When entries are completed, it is expected over 13,000 exhibitors will be registered.

Farm Price Level Higher During the Coming Year?

(Continued from page 20)

sidize domestic consumers and those of the United Kingdom and other Wheat Agreement countries.

The United States handles her Wheat Agreement sales in a different manner. It pays the farmer a subsidy on all export sales equal to the difference between the open market or domestic support price on the one hand and the Wheat Agreement price on the other hand. In the first year of the Agreement this cost the United States Treasury about $80 millions. In the second year of the Agreement the cost may exceed $100 millions.

The burden of the subsidy becoming too great, or if the Congress should become economy minded, might mean U. S. repudiation of her committments under the Agreement. In any event the future of international arrangements such as that on wheat has not been helped by experience thus far. Like the Canadian-U. K. wheat contract, the I.W.A. was written against the expectation of declining commodity prices. In each case the trend has been in the opposite direction.

Next to the wheat episode most public attention has been given to cost-price ratios. This poses the question whether or not the farmer is keeping ahead of other groups in the current inflationary scramble. Farm prices today are at about the level of a year ago. However, the animal component of this price series is up over 20%. The lower initial Wheat Board payment has brought down the field crop component. Farm costs on the other hand are up about 10%. Conclusion: in general, livestock farmers have kept ahead of rising costs, and grain farmers have slipped behind.

Farmers and farm associations generally have given more serious thought to holding or improving their relative position in an inflationary scramble than they have to the perils such a situation may bring them over a period of years. In this sense, however, they are no worse offenders than labor and other major groups in the economy. In fact, farmers generally lack the power to improve their own position comparable to that possessed by labor unions and the operators of noncompetitive business.

Going back to the original theme of this article, farmers borrow their prosperity from other groups in the economy. They don't create it themselves. And looking ahead to 1952, general business prospects seem good. Farmers will get their cut in this prosperity. As for foreign markets in 1952, Canadian farmers will be cared for. Anyway, they don't need this outlet as badly as in the past. Wheat is the only big problem here—and it's safe for another year.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

WESTERN GRAIN CO. and its subsidiary, Mutual Grain Co., had a consolidated net profit of $59,516 for year ended July 31, 1951, as against a net loss of $92,751 in previous year. The net includes $5,992 profit on disposal of fixed assets.

Handling of last year's low-grade crop produced a number of difficulties. Fortunately the number of bushels marketed was not as drastically reduced as had been feared, President W. A. Cruse says.

During the year C. J. Macleod, K.C., I. J. R. Deacon, K.C., and G. R. Hunter were elected directors replacing R. S. Hooton, S. D. MacEachern and W. E. Robertson who resigned.

Quarterly dividends on the preferred shares accrue from April 2, 1931 and are $2,632,500 in arrears.

CONS. INCOME ACCOUNT

Years Ended July 31:	1951	1950
Net earnings	$468,160	$233,913
Less: Bond int.	85,775	97,830
Prov. inc. tax	2,500	......
Bond red. prem.	2,537	......
Depreciation	317,822	248,834
Add: F.a. sold	599	......
Net profit	59,316	*92,751

*Net loss and deficit.

Times Bond Interest Earned:		
Before deprec.	5.46	2.59
After deprec.	1.75	0.05
Earnings per Share and Dividend Record:		
Pref.: Earned	$2.97	d$4.64
Common: Earned	d0.35	d1.11

None paid on either class.

CONDENSED CONS. BALANCE SHEET

As at July 31:	1951	1950
Cash	$144,080	$113,052
Accts. rec.	96,331	92,179
Inventories	4,549,666	2,208,017
Total curr. assets	4,790,077	2,313,248
Prep. exp.§	19,537	17,414
Misc. invests., etc.	175,001	236,769
Fixed assets*	2,632,363	2,858,855
Total assets	7,616,978	5,626,288
Bank loan	2,032,172	357,445
Cash tickets o/s	1,372,721	813,147
Accts., etc., pay.	219,361	253,586
Total curr. liab.	3,624,254	1,424,178
Funded debt	1,474,800	1,743,700
Capital stock	2,675,229	2,675,229
Less: Deficit	157,305	216,821
*After depr. of	3,158,413	2,947,171

§Incl. in curr. assets in co's report.

Working capital	1,165,823	1,089,070

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PATENTED SPECIALTIES

Specializing in the

Identifications of Livestock and Poultry

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Stockmen's, Packers' and Poultry Specialties

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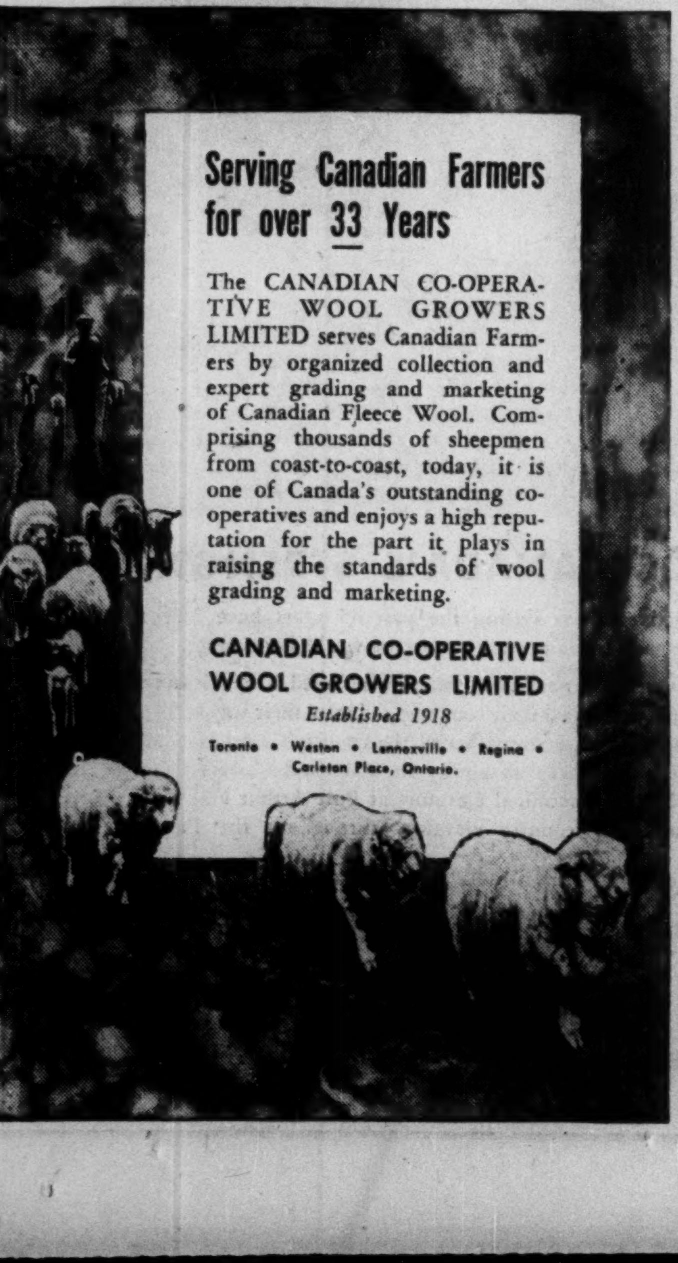

Serving Canadian Farmers for over 33 Years

The CANADIAN CO-OPERATIVE WOOL GROWERS LIMITED serves Canadian Farmers by organized collection and expert grading and marketing of Canadian Fleece Wool. Comprising thousands of sheepmen from coast-to-coast, today, it is one of Canada's outstanding co-operatives and enjoys a high reputation for the part it plays in raising the standards of wool grading and marketing.

CANADIAN CO-OPERATIVE WOOL GROWERS LIMITED

Established 1918

Toronto • Weston • Lennoxville • Regina • Carleton Place, Ontario.

The

SASKATCHEWAN WHEAT POOL

OPERATES 1168 country grain elevators and three terminal elevators.

SERVES livestock producers with four public stockyards and a province-wide marketing service.

HAS a net worth of $23,000,000.

PRODUCES flour and vegetable oils from new and modern plants in Saskatoon.

PUBLISHES The Western Producer, a leading weekly farm newspaper.

The Wheat Pool is owned by more than 100,000 Saskatchewan farmers

Saskatchewan Co-operative Producers Ltd.

"THE WHEAT POOL"

Head Office Regina

Here's a fact that no businessman or farmer should ever overlook...

Whether equipment is being bought for a factory or for a farm, the fullest value is obtained only when that particular equipment will meet most of the buyer's needs most of the time . . . at the lowest possible investment cost.

Take farm tractors, for example. It is commonly believed that only big, heavy tractors can meet the needs of most Canadian farmers. This is an erroneous conclusion because hardly ten per cent of the jobs on the average farm require the full capacity of a tractor. The other ninety per cent can be done better, faster, easier, and at lower cost with only a fraction of this power.

It can be demonstrated that the power requirements of the average Canadian farm can best be met by a tractor such as the Ferguson . . . capable of pulling three plows in most soils, yet weighing far less than many other tractors of equal capacity. The revolutionary Ferguson System makes this possible.

Another fallacy is that horsepower is the true yardstick of tractor performance. Actually, *torque* is a better indicator . . . for *torque* determines the ability of a tractor to keep right on pulling without faltering, stalling, or shifting gears when the going suddenly gets tougher. Farmers call this "lugging power". A "showdown" comparison of engine *torque* quickly shows that *no tractor ever built has a better torque characteristic than the Ferguson.*

These are but two of the numerous facts about Ferguson Tractors that enable them to meet *more* of the needs of *more* Canadian farmers, *more* of the time, than any other tractor. And, at the same time, the Ferguson is the lowest-priced tractor of its kind sold in Canada.

Today, more than ever, the Ferguson is a better buy for farmers . . . for a new and far more powerful Ferguson Tractor has just been introduced. It is also a better, safer investment for those Canadian businessmen concerned with the future of Canada's agriculture and the financing of Canadian farm equipment. Want proof? See any Ferguson Dealer. Harry Ferguson, Inc., Detroit 32, Mich.

Ferguson

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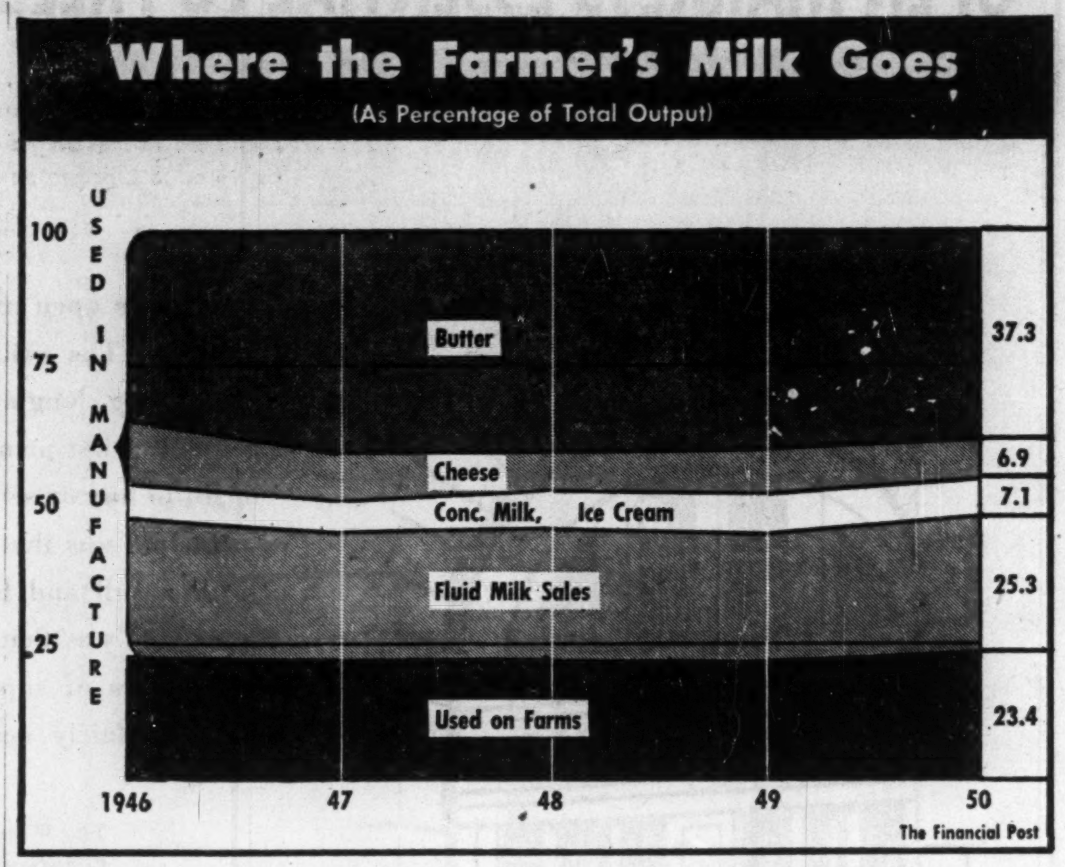
FERGUSON TRACTOR

and 63 Ferguson System Implements

Rising Costs Squeeze $500 Million Dairy Industry

Drop in Number of Cows Creates Industry Problem



By GILBERT McMILLAN
President, Dairy Farmers of Canada

To anyone who has been connected with the dairy industry in Canada for nearly 40 years and has seen the contribution it has made to the development of not only many rural areas, but of Canada as a whole, the present decline creates a feeling of uneasiness for its future. In these days of industrial expansion when the investment of great sums of money seems to mean very little, there is the danger of considering the whole dairy industry as one of minor importance in Canada. The facts tell a different story.

Farmers in Canada receive a cash income of some $200-$300 millions annually, from the sale of dairy products. The income from the sale of dairy products is also widely distributed among Canadian farmers, since in 1941 (last census) about 80% of the farms kept cows for milk.

GILBERT McMILLAN O.B.E., international authority on Ayrshire cattle, came to Canada from his native Scotland as a young man in 1904. In the next seven years he helped lay the foundation for some of the celebrated Ayrshire herds of Canada and the United States. Settling at Huntingdon, Que., in 1911 where he farmed for 30 years, he has been active in farm organization and community work. He is the only farmer to have been president of both the National Dairy Council, the trade organization, and the Dairy Farmers of Canada, the producers' national organization.

The dairy industry is, moreover, one of the leading manufacturing industries in Canada. Until the recent postwar period, the gross value of the production of the dairy industry exceeded that of the pulp and paper industry; it is about one and one half times that of the output of electrical apparatus and supplies, and is twice as large as that of the automobile industry. Among all the industries in Canada, both agricultural and industrial, dairying ranks amongst the first three, in gross value of production.

Industry in Squeeze

Since the close of the war period, and with the great industrial expansion that has taken place, the dairy industry, which requires more labor than any other type of farming, has been caught in a squeeze between rising costs, due to increased wages and prices of all materials farmers buy, and public resistance to a fair increase in price for what they sell, and which is gradually strangling the industry. This has already reached a point where instead of bringing money into Canada for exports, we are spending money to import dairy products—not a very satisfactory situation for a country with the natural resources of Canada.

While the dairy farmer is undoubtedly getting more money for his milk today than ever before, it has not kept pace with his rising costs. I can quite well recall starting dairy farming on my own account almost 40 years ago, when I purchased a 100-acre farm of fine cultivated land, with a solid brick eight room house, and fairly good barns for that time, and a 50-acre pasture lot, a herd of 40 head of registered Ayrshires, and the horses and machinery necessary to operate the farm for a total of $12,300. This sum today would not even buy the same number of good grade cattle.

As a better indication of how a farmer's costs have changed, take my own experience. In 1913 we erected new barns. The main barn, 120 ft. by 40 ft. was entirely new and the balance remodelled from old buildings. The total cost was $4,500. When in January, 1949, a freak storm wrecked the roof of the main building, it took $3,200 to replace the roof.

It is true that we were then selling milk to the Montreal market for about $1.70 per hundred, but we could buy bran for from $14 to $16 per ton, oil meal for $28 to $30 and corn gluten for about $25. This the farmer mixed with his own grain, as in those days commercially mixed feeds were practically unknown.

You could hire a real competent farm worker, who did not need to be shown how to do his job, but who took a pride in doing it, for $20 to $25 per month for eight months of the year and about $10 for the four winter months, with of course, board and washing, as in those days the hired man was just a part of the family. This was, however, before the advent of the 8-hour day or the 40-hour week, when men took a pride in their work, instead of seeing how little they can give for their wages. When we meet men in high places who seem only to remember the prices dairy products sold for in those days, we wish they would also recall some of the factors prevalent at that time.

It would be a grave mistake to underestimate the investment involved on nearly 400,000 farms in Canada where milk production is an important source of income, or in the thousands of plants across Canada where milk is distributed or processed. Then too, there are the thousands of workers who distribute and handle dairy products at the wholesale and retail levels, and the amount of the equipment necessary for the processing and distributing.

Altogether, you will find that dairying probably affects the living of a larger segment of our people than any other single industry. It is an industry that from our soil, through the feed the dairy cow consumes, produces food to the value of nearly half a billion dollars yearly.

Effect on Economy

Let us look at how this affects our Canadian economy as a whole.

Here is an industry, drawing from our natural resources, value of over half a billion dollars per year and putting this amount of new wealth into circulation, and giving employment to nearly one sixth of our people. It is one of the great mainsprings of the business life of the country. In addition to this, it has several other vital advantages; it is not like mining or lumbering where you remove your resources at one fell swoop.

The dairy cow is unique in her contribution to our economy, in that she makes her contribution in three distinct ways. The first is in soil conservation. The cow can convert grass into valuable proteins, fats and vitamins, and return to the soil in the form of manure the bulk of what she takes from it. In fact, where purchased grains are added to her ration, she will improve rather than deplete the soil.

The second great contribution of the dairy cow is as a meat producer. The natural increase from the dairy cows in Canada in addition to keeping up our herds, supplies 60% of our veal, and in the end supplies over 40% of our beef.

Third, and perhaps most important of all, she produces milk that is without equal for the health of our people. Dr. L. B. Pett of the Nutrition Division of the Department of National Health and Welfare has this to say: "No type of food is more important to national health and good nutrition than milk products and no type of food should receive more emphasis in the future in Canada."

Rural Value

In appraising the value of a specific industry to any country, many things have to be considered besides the cash value. Some may contribute nothing at all to our national development—their products may have no value as a nation builder—in fact, the opposite may be true. That cannot be said of the dairy industry.

In thousands of rural communities the whole social and economic structure is built around the returns from milk production. If prices fall sharply, or a bad production season occurs, not only the farmers suffer, but every merchant and those supplying public services suffer, because the chief source of income has been curtailed.

What will happen if it dries up completely? Some may think there is no danger of this happening, but when raising and selling of dairy cattle for meat becomes the chief source of income rather than making milk, the dairy industry is on a shaky foundation. Unfortunately, that is precisely the condition prevailing in what was not long ago some of our greatest milk producing areas.

Canada's over-all milk production dropped over one billion pounds in 1950, and but for the exceptional production season we have enjoyed in 1951, there would have been another heavy drop, as our cow population is decidedly down. It is estimated in some quarters by nearly half a million head or about 15%. To meet the needs of our ever increasing population this trend must be stopped, if we are not going to face a very serious shortage of milk products in the near future.

Causes of Decline

I believe this downward trend in milk production stems from three causes.

First, in a decade when we are attempting to prove that human society can enjoy a high standard of living, and only work 40 hours per week, the producing end of the dairy industry is in no position to compete. Nature has not provided us with a milk producing machine which will take less care than 75 hours a week, on the average. Unless we are prepared to employ double shifts of labor, which the monetary returns as yet will not warrant, somebody has to be prepared to work very much longer hours. Unless some adequate compensation is provided the majority of farm workers will not do it. Dairy farmers today cannot even hold their own families against the lure of short hours and high wages in industry.

The second cause of uncertainty in dairying is the determined public resistance to price increases for dairy products. This is extremely hard to understand, for in the past decade, over-all food costs have gone up 150%, with some foods twice that, and yet milk has only gone up 78%. The cry is that milk is a necessity, but I cannot accept the argument that because something is a necessity some group should have to produce it at a loss.

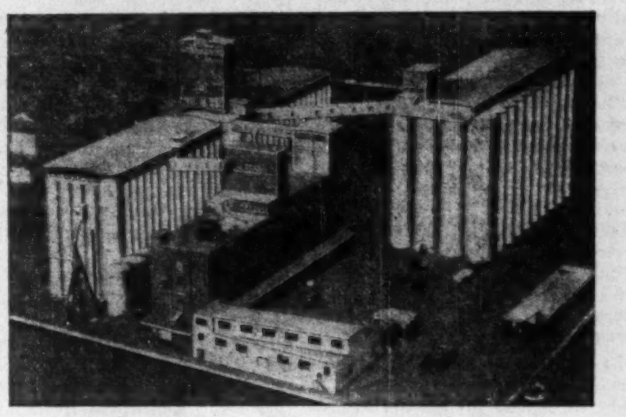
The third factor with far-reaching implications has been the advent of cheap imported vegetable fats into our daily diet. Dairy farmers as law abiding citizens now accept that fact, but with one or two reservations. Dairy farmers will insist that they be accorded the same protection as enjoyed by other industries, whose existence is perhaps not so important to the national economy as in the dairy industry.

These I believe, are the causes in the decline in our milk produc-

(Continued on page 26)

Grain Merchants

With large-scale storage, cleaning and shipping facilities in terminal elevators at Toronto and Sarnia, Toronto Elevators Limited, as traders in all types of grain offer a complete, dependable service to the milling and feed trades.



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MASTER FEEDS
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Refiners of
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EXPANDING FACILITIES

Toronto Elevators present, up-to-date crushing mill for vegetable oil extraction will be used exclusively for flax seed when their big, new solvent extraction plant is completed early next year. The new plant will be used exclusively on soybeans for the production of a full range of edible and industrial grade soybean oils.

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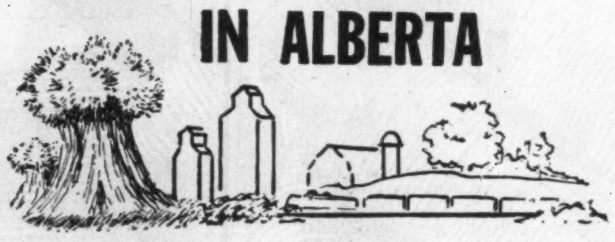
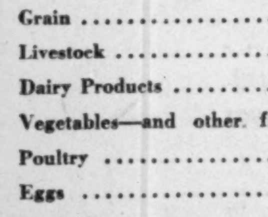
AGRICULTURE
is BIG
Business
IN ALBERTA



ANNUAL
FARM PRODUCTION
$511 MILLIONS

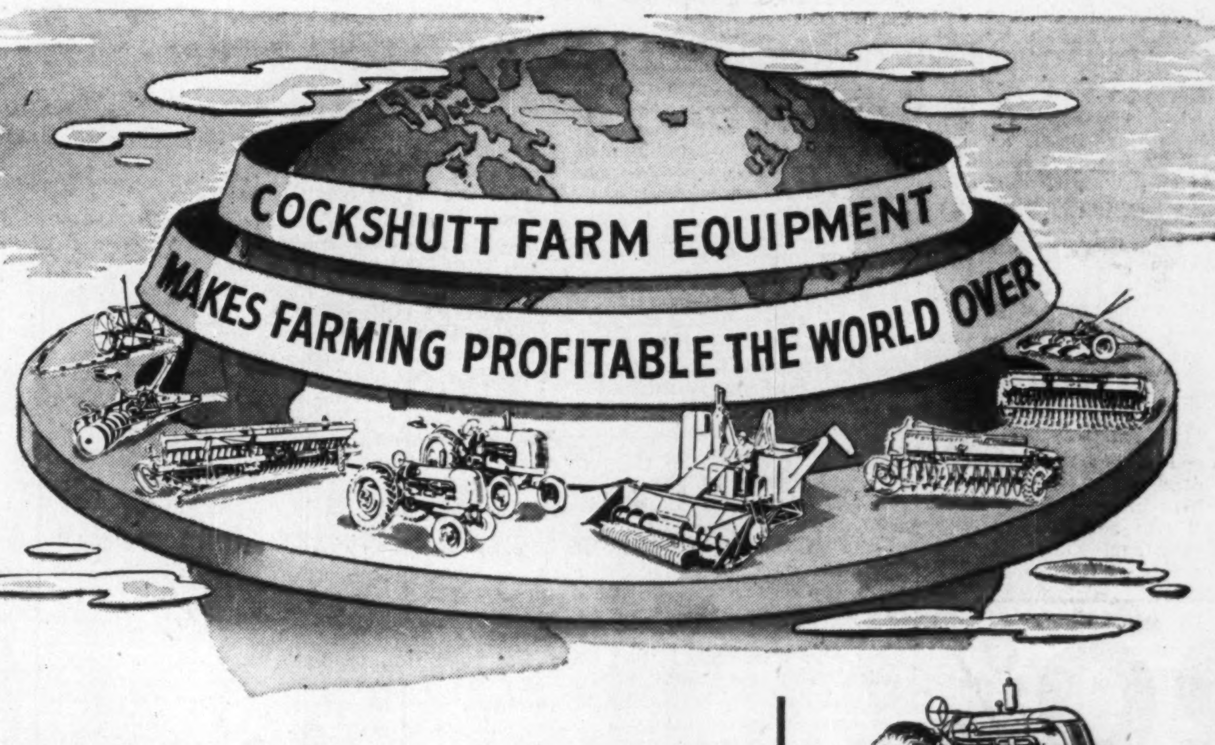
Grain $250,000,000
Livestock 158,000,000
Dairy Products 31,000,000
Vegetables—and other field crops 10,000,000
Poultry 9,000,000
Eggs 10,000,000
Sugar Beets 6,000,000
Miscellaneous Farm Products 37,000,000



Agriculture
is Alberta's
Basic Industry

Abundance and diversity are prime factors in Alberta's agricultural production. Industries which are supported directly by farming activities include flour and cereal mills, bakeries, dairy products processing plants, woollen mills, textile and garment companies, packing plants, seed houses, linseed oil plants, sugar and canning factories. In Alberta . . . agriculture's industrial offspring provide steady employment for many thousands of people . . . thus contributing greatly to the economic stability of the Province.

GOVERNMENT OF THE PROVINCE OF ALBERTA
DEPARTMENT OF AGRICULTURE
EDMONTON, ALBERTA, CANADA


COCKSHUTT FARM EQUIPMENT
MAKES FARMING PROFITABLE THE WORLD OVER

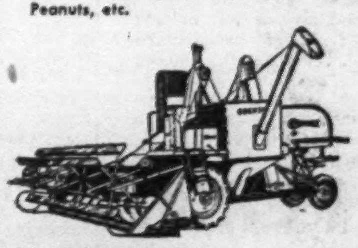
NO GROUP of farm equipment engineers has worked more closely with farmers or considered their problems more thoroughly and exhaustively than the engineering staff at Cockshutt. No farm equipment manufacturer has worked more earnestly to give the farmer the kind of equipment he must have if he is to operate at a profit.

It is **one** thing to design and build farm equipment that will perform efficiently under **ideal** conditions, or meet all the problems encountered in **one** given area, but it is another thing altogether to design and build farm equipment that will perform equally well under **all** conditions . . . on any modern farm **anywhere!**

It is this **versatility** of Cockshutt farm equipment, its absolute dependability under **all** manner of conditions, that has made the line such an outstanding favourite among successful farmers the world over!

A COMPLETE LINE OF MODERN FARM EQUIPMENT

Tractors ● Self-propelled Combines ● Power take-off Combines ● Swathers ● Pick-ups ● Tractor and Horse Drawn Grain Binders ● Mowers ● Rakes ● Hayloaders ● "Tiller Combines" ● Tractor and Horse Drawn Moldboard and Disc Plows ● Walking and Riding Plows ● Grain and Fertilizer Drills ● Corn and Cotton Planters ● One-Way Disc Harrows ● Disc and Drag Harrows ● Field and Garden Cultivators ● Scufflers ● Weeders ● Horse Hoes ● Manure Spreaders ● Hammer Mills ● Grain Grinders ● Pulpers ● Stalk Cutters ● Milkers ● Milk Coolers ● Specialized Equipment for Tobacco, Sugar Cane, Sugar Beet, Peanuts, etc.



COCKSHUTT FARM EQUIPMENT

COCKSHUTT
PLOW COMPANY LIMITED
BRANTFORD, CANADA. TRURO, MONTREAL, SMITHS FALLS, WINNIPEG, REGINA, SASKATOON, CALGARY, EDMONTON
PARTNERS OF THE CANADIAN FARMER FOR 112 YEARS

Our 'Record' Grain Crop

Here's Outlook as Bad Weather Hits Harvest

WINNIPEG — Farmers of the western provinces have had one of the most disastrous seasons climatically in the years of western agriculture.

Almost half of what was potentially a billion-dollar crop of all grains is either uncut or lying on the ground. In Alberta, between 60 and 70% of the wheat crop is unthreshed; in Saskatchewan between 40 and 50%. For Alberta alone the unthreshed crop would normally be worth $300 millions. Important crop areas in both provinces have been snowed in. Without a longer than normal period of mild drying weather, which at this time of the season can't be expected, much of the grain will likely remain unthreshed until spring.

In Manitoba, conditions are better. More of the crop is harvested and threshed, about 75%. In some of the northern districts however the season is as backward as in Saskatchewan and Alberta. But generally Manitoba farmers are in a better position than those in either of the provinces to the west.

The delay in getting the crop threshed and delivered is inevitably being reflected in western business. A good many farmers are temporarily short of money. Merchants, oil companies, machine companies are finding collections less prompt than usual. Rural municipalities already see the effects in reduced tax collections. Unless the situation changes materially in the next nine weeks, in none of the provinces will the percentage of tax collections be as high as in any of the last four or five years.

In yield and quality, 1951 promised a bumper crop. Normally western farmers would have had about 750 million bushels of all grains to sell. Prolonged bad weather has reduced bushelage and deteriorated grades; how much hadn't been accurately determined in late October.

The major part of the transportation season has been partially lost. At best it can't be longer than six or seven weeks until close of navigation on the Great Lakes. On Oct. 18, only about 25% of the crop had been delivered to the elevators. Of what remains, if and when it is delivered, much of it will be damp or tough. There will be acute drying problems for the terminal elevators. On top of this the storage situation could be bad. Generally it is a year of emergencies and only time and weather can tell to what degree they will be solved.

In a situation which a few weeks ago was serious, arrangements were made to detail members of the armed forces to help take off the crop. Many of them have been in Alberta and Saskatchewan for three or four weeks. At Oct. 20 some had worked only three or four days. Some hadn't been able to get in a day at all.

The Season's Record

The 1951 crop season started with a smaller wheat acreage than in 1950, 24,574,000 acres as compared with 25,836,000 acres last year. This year's crop however developed abnormally well in spite of late seeding in some areas.

Only in parts of southern Manitoba and southeast Saskatchewan was drought a serious factor. Elsewhere in the growing period rainfall was adequate, in many areas abundant. The month of August started with prospects of record grain production throughout western Canada. Normal maturing weather and a frost-free period to mid-September were all that was required for a bumper crop.

Widespread frost did not come until Sept. 23. At this time the great bulk of the western wheat crop was beyond the stage where frost could cause a great deal of damage. In the meantime, however, an otherwise normal season suddenly changed to one climatically bad. Rains, heavy and frequent, came during the maturing period and delayed maturity of the grain fields.

Even under these adverse conditions, the Dominion Bureau of Statistics in mid-September estimated the western wheat crop at 548 million bushels. Almost simultaneous estimates were given by the two Winnipeg newspapers. The Free Press estimate was 546 million bushels and the Tribune 516 million bushels. The bureau's final estimate for the 1950 prairie wheat crop was 427 million bushels.

Since August 15 there has been loss in yield because of abnormal rainfall. How much is not yet accurately determined. Even so, the western wheat crop at Oct. 20 still promised to be very large, perhaps not far away from the highest of the estimates quoted.

In southern Manitoba, in some areas in South and Central Saskatchewan, and in parts of southern Alberta, wheat reached maturity as early as mid-August. On basis of maturity of these crops and had there been favorable weather, a wheat movement could have been under way to Port Arthur and Fort William and to Vancouver by the last two weeks in August. This would have been of great advantage in providing high-grade wheat for milling and export.

Harvesting Delayed

Unfortunately in all these areas harvesting has been delayed from six to eight weeks by fairly continuous wet weather. The result was lower yields and lower grades.

At that, unless adverse conditions make impossible the harvesting of the crop at all, the grade promises to be better than the disastrous crop of 1950. In 1950 there was an early frost which resulted in 160 million bushels of low-grade wheat out of a crop of 467 million bushels. Roughly 45% of last year's crop was low grade, that is grades suitable only for feed. Some No. 5 Northern, not recognized as a milling grade, had to be used for milling purposes.

This year, frost damage was restricted to a few pockets in northern Alberta and northern Saskatchewan, in areas however not large enough to be significant in the over-all picture. It did happen that late in the season there was comparatively heavy frost damage in that part of the country south of Calgary adjacent to the mountain foothills where there were very heavy and late stands of wheat.

On Oct. 17 it appeared the main crop would be No. 2, No. 3 and No. 4 Northern with No. 3 Northern predominating. In the period from Oct. 18-20 the whole wheat belt was hit by another disastrous rain and snowstorm.

Effect on Grades

Before Oct. 18, the unofficial estimates were that perhaps 40% of the crop would grade No. 3 Northern. As shipments came in there would have been shifting in volume from one grade to another. Because of weather for three days after Oct. 18 this situation may be substantially changed. Certainly before Oct. 18, had favorable conditions continued for threshing, farmers would not have had the big volume of low grade feeds they had in 1950.

Seasonal conditions make inevitable a big volume of damp and tough grain. What proportion of the crop it may be still depends upon the weather. A major drying problem however is certain and as the drying has to be done at terminal elevators because practically no country elevators have the facilities for doing it, there is bound to be a serious bottleneck.

Up to Oct. 18 there had been delivered 120 million bushels of wheat. These deliveries have been since start of the crop year Aug. 1 and for the most part have been new wheat, that is wheat grown in 1951. This is about 25% of the prospective deliveries.

Coarse Grains

Not only is the wheat crop huge, provided it is harvested, but there is a big crop of oats and barley. Figures released by DBS about mid-September place the total 1951 grain production of the western provinces at 1,044,000,000 bushels.

Last year it was 853,000,000 bushels. Thus this year's production is more than 150,000,000 bushels above last year.

Out of this 1951 production, if it can be saved, after allowing for farm requirements for seed and feed, there will be close to 750 million bushels of grain to be marketed as compared with 560 million bushels marketed in the last crop year. If western farmers can get their crop off, they have a huge amount of grain to sell immediately.

The Demand Picture

A big crop has also coincided with a good demand. The biggest sale of the current crop year, already announced by the Canadian Wheat Board, is a sale of 95 million bushels of wheat and an additional 18 millions in the form of flour, made to the United Kingdom.

Two months' transportation have already been lost and even with good demand it may be doubtful whether the present crop can be sold by the time of end of the crop year next July 31. In the meantime grain in fields or granaries isn't worth much to farmers, a situation already beginning to make itself felt in western business.

The normal problem of transportation has developed almost to an emergency this year. The government weeks ago, recognizing the grain movement would have to be better co-ordinated than ever before, appointed a transport controller. Two emergency measures have already been taken, namely:

1. On October 4 the Canadian Wheat Board temporarily removed delivery quota restrictions on high grade wheat in order to get more milling grades into country elevators. It was hoped suspension of delivery quotas on Nos. One, Two, Three, and Four Northern, and some other grades, including both damp and tough grain of these grades, would encourage a step-up of deliveries at country elevators. Weather conditions and progress in harvesting were to determine how long the suspension was to continue.

2. On Oct. 16 the Wheat Board issued a directive to the railways asking them to concentrate on prompt shipping of milling grades of wheat to the lakehead and to Vancouver. With only six to seven weeks before normal close of navigation on the Great Lakes, a major effort must be made, the directive said, "to move as much wheat as possible even though this means the railways will concentrate for the time being on nearby stocks and fastest possible turn around of cars." The order was given with approval of the transport controller.

Storage Problem

The producer's dilemma, in addition to getting his crop threshed, is to get the grain into public storage. Country elevator storage in the west is about 280 million bushels. This takes a lot of transportation to keep the storage situation liquid. Obviously a lot of producers will have to wait a considerable time to get their grain in.

The initial payment of wheat is $1.40 a bushel basis storage Fort Winnipeg, Port Arthur and Vancouver, No. One Northern. This as usual is graduated down to $1.37 for No. Two Northern, $1.34 for No. Three, $1.26 for No. Four, $1.16 for No. Five, $1.06 for No. Six, and $1 for feed wheat.

Some of these figures are slight variations from the initial payment figures last year.

For barley, the initial payments are from 98 cents down to 75 cents depending on grade and for oats 65 cents down. This year's initial payments for the principal grades of oats are the same as last year but the discount on damp oats is decreased from nine cents to eight cents.

Provided the 1951 crop is threshed and prices for the crop year hold as at present, the western crop could have a value of one billion dollars. The Wheat Board is now selling at the maximum International Wheat Agreement price which is $1.80 United States funds. In Canadian currency this is about $1.89½, thus making a big difference between present selling price and initial payments.

As the season advances the drying part of the fall days gets shorter and the shorter it is the less chance the grain has of getting into good condition.

Coarse Grain Markets

Market prospects for coarse grains are just as encouraging as for wheat. While a smaller part of the 1951 crop will be so low in quality as to come under feed grades, all big crops tend to encourage more feeding. The normal effect is to step up livestock production and the prospects are this will be the trend because of this year's crop. Usually there is not much significant change in the livestock situation from one year to another merely because of volume of the crop. The livestock population does not vary so fast as the swing in crop.

Right now the farmer's big problem, especially in Saskatchewan and Alberta is to get his crop harvested. All wheat, oats and barley, has to be marketed through the Canadian Wheat Board. This is compulsory. On Nov. 24, Manitoba farmers will vote on a referendum to say whether they want to continue the present system of marketing. Many farmers in all provinces do not like the compulsory feature of the present marketing system. In Manitoba however the prospect is producers will vote quite emphatically to retain the present system.

Effect on Feed

A sharp drop in temperature and more snow Oct. 15 ended about the last hope for getting off much more of the crop this year.

This has threatened a serious feed shortage. The immediate effect was to force livestock producers to sacrifice their herds. The resulting pre-winter rush of cattle to stockyards, particularly in Calgary, had the effect of dropping prices from $1 to $2 a hundred below the prevailing prices 10 days previous.

At the Winnipeg stockyards, these immediate effects were not so noticeable. The over-all farm situation is plainly worse in Alberta than either Saskatchewan or Manitoba. Cattlemen of the foothills province, suddenly forced to cull their herds to a winter minimum, swamped the Calgary market.

In late October, emergency feed was being shipped to Alberta from Manitoba. Alberta's livestock commissioner W. H. T. Mead termed the feed shortage in the southern part of his province as "nothing short of catastrophe." Millions of bushels of grain—the difference between the West's biggest crop and what may only be an ordinary yield—are buried under snow.

OPEN MARKETS ESSENTIAL TO FREEDOM OF OPPORTUNITY

Says Paul C. Johnson *editor of The Prairie Farmer (one of the great Farm Journals published in the United States) Mr. Johnson, in an address delivered in Chicago on Sept. 7, 1951, said in part:*

GRAIN EXCHANGE

"Why are open markets essential to freedom of opportunity? The principles of the open market were laid down long, long ago as Europe emerged from the feudal system. First principle was that anyone should have the right to buy or sell. No one should be excluded. Second principle was that business should be conducted openly with a full and honest report of transactions. Third principle was that a successful market should centralize the forces of supply and demand in sufficient volume so that fairly accurate values might be established."

The Winnipeg Grain Exchange believes that Canadian farmers should enjoy the opportunity of using the open market.

THE WINNIPEG GRAIN EXCHANGE

Winnipeg — Manitoba

20%

of the National Farm Income goes to FRENCH Farm Families

Cash farm income of the French-speaking farm families of Eastern Canada has now climbed to 4 times its pre-war level, and runs at one-fifth of the total farm income of all Canada!

In addition, many French farm families receive $300 to $500 a year in family allowances. Add that approximate $100 million to their $425 million farm income, and you have a potential market which no Canadian business can afford to ignore or under-cultivate.

Are you giving this rich field the same attention you would give an English-speaking market of the same size? Better consider La FERME . . . well over 100,000 French farm circulation, over 500,000 French farm readership, respected, influential, and with a very reasonable milline rate.

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A MILLION DOLLAR ITEM

in a Five and Ten Cent Store

Joe the plumber probably never realized it but that small solder stick he uses is really a million dollar item.

Long before he bought it at the five-and-ten, a group of experts worked continuously and painstakingly to find out how to produce the pure lead and tin that went into its making.

To back them up, these experts had to have money behind them. Money for research . . . for materials . . . for buildings . . . for equipment. A great deal of money — a million dollars was only part of the cost.

We at Cominco have invested millions to improve our products, to develop new ones. We know that such investments pay off . . . in the growth of Cominco . . . and in better goods for the Canadian consumer.

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Will Farm Machinery Demand Run Ahead of Our Supply?

Here's Outlook as Farmers Seek Greater Efficiency

Now as never before Canada's diversified farmlands have become industrial production lines reverberating to the sounds of high powered tractors, forage harvesters, potato planters, and self-propelled combines.

Caught by the squeeze on manpower, the farmer is turning to new, superefficient machines as his help troops to the new defense plants in search of higher wages.

Instead of wages, bed and board for two arm muscle power, the farmer's getting stepped up crop production and a drop in manhours for oil, gas and servicing.

Reflection of the now gigantic Canadian farm mechanization program is this year's farm implement and equipment sales picture. Estimated retail sales this year—well over $300 million; compared with last year's estimated $250 million, ($218 million, 1950 wholesale, DBS).

Equipment Sales

Generally, sales of farm machinery and equipment have experienced a boom since 1936 when the wholesale sales volume stood at just over $19 million. After some falling off during the war years, when normal production facilities were restricted, sales in the period 1945-1949 turned sharply upward and in 1949 had reached a total of just over $217 million.

So great has the drive been for greater efficiency on the farm that the farmer has been willing to lay out cash for machinery as an investment in the future even when his cash income has been down.

A comparison of the index trends of cash income and sales of machinery and implements shows this. After holding together fairly closely from 1936 to 1941, cash income rose above sales in 1942 and 1943. (The war years).

Since then, the boom in machinery has been on. Index of sales has continued to rise above cash income. In fact, where income fell from $2,449,865,000 in 1948 to $2,409,165,000 in 1949, farm implement sales continued sharply upward.

Supporting these retail sales are some 79 Canadian industries as well as many U. S. and U. K. manufacturers. In 1950, in Canada, the farm implement industry paid $44 million in wages to 16,563 employees.

The Outlook

What of the general picture ahead?

1) Demand is likely to outstrip supply. The high demand for new equipment is staying steady but the supply picture is already being changed by the growing material shortages.

—Production of farm machinery in the U. S. and Canada has already been cut by 25% in the fourth quarter it's estimated.

—Farm machinery inventories in the U. S. are down 10%.

—Canada is already adversely affected as regards imports from the U. S. because of the 11% drop in the third quarter of the year.

—Combines, harvesters and other large pieces of equipment are already in short supply because of the quantity of steel used in their production.

—The production of parts is being given priority under a general plan to keep existing machinery in repair as long as possible.

2) Greater emphasis is being put on machinery designed to promote soil conservation than ever before. This trend will continue as more machines are adapted to the special requirements of contour plowing, soil tillage, etc.

3) As the machines become more complicated, so the importance of efficient servicing is more and more being taken out of the farmer's hands. So crucial is the farmer's race against the weather at harvest time, that the farmer is demanding faster and more complete servicing on the spot. To satisfy these demands many dealers service by plane in the West.

4) The farm labor supply will continue to decrease as Canada's defense production goes into high gear. This will put an even greater responsibility on the farmer to mechanize and utilize every short cut possible for more efficient operation.

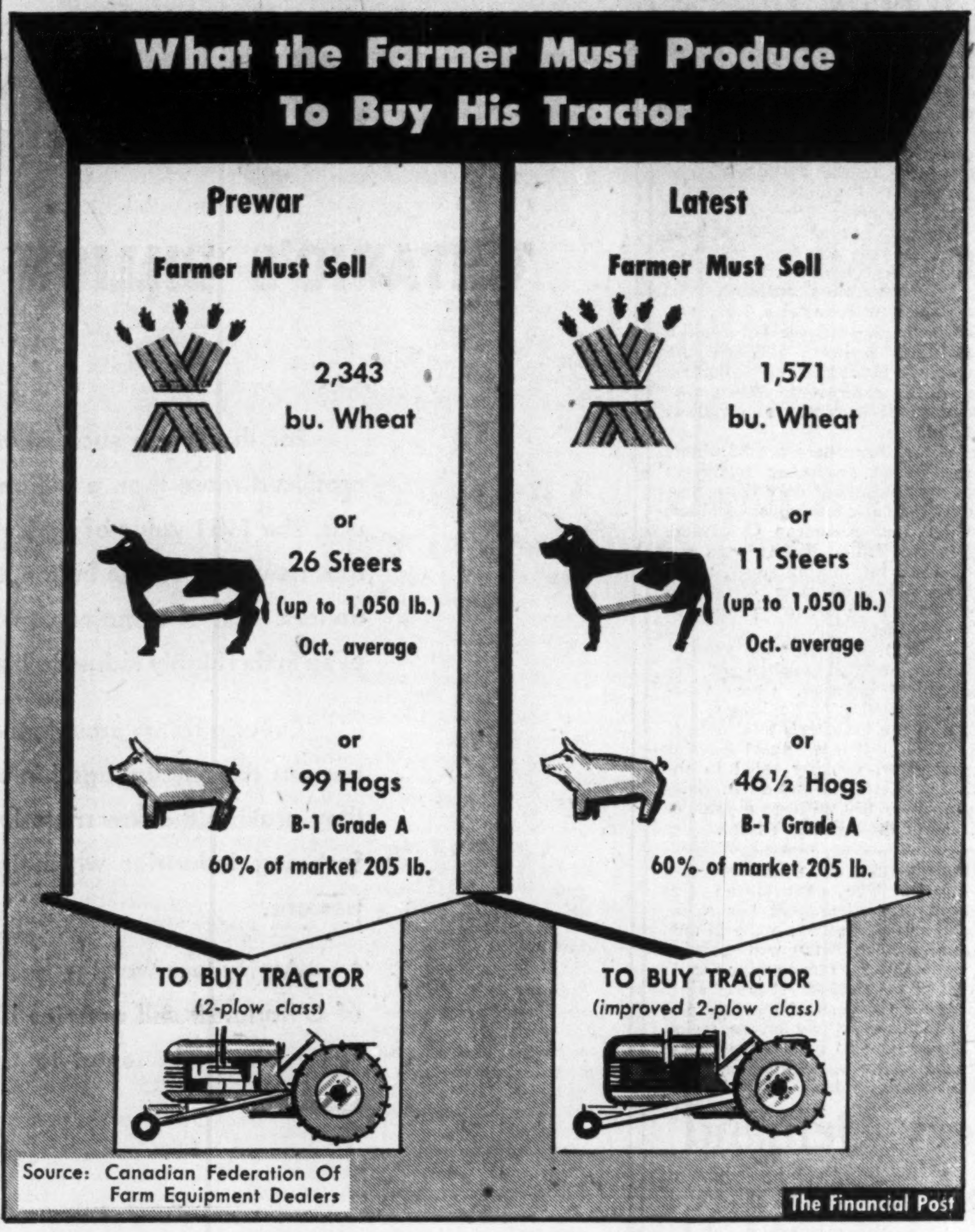
—By Aug. 18 (1951), although the Canadian noninstitutional labor force stood at an all time high of 5,421,000—a 97,000 increase over August 1950 — total August farmer labor of both sexes has dropped from 1,238,000 (1949); to 1,153,000 (1950); to 1,090,000 (1951).

5) The trend, in the West especially, is still toward fewer but larger farms.

Number of Farms

Mechanization more than anything else has been responsible for this trend as the number of occupied farms has gradually decreased from 1881 to 1941 in all Eastern Canadian provinces, for example, with the exception of Quebec. (Where there's been a considerable increase especially in the period 1931 to 1941.)

There is no appreciable decrease in total acreage of farming land, although there's been considerable change in farming practices. There's been a noticeable shift from grain crops to hay and silage. In the period 1900 to 1941 hay and corn silage acreage decreased almost 1.5 million acres.


What the Farmer Must Produce To Buy His Tractor
Prewar
Farmer Must Sell
2,343 bu. Wheat
or
26 Steers (up to 1,050 lb.) Oct. average
or
99 Hogs B-1 Grade A 60% of market 205 lb.
TO BUY TRACTOR (2-plow class)
Latest
Farmer Must Sell
1,571 bu. Wheat
or
11 Steers (up to 1,050 lb.) Oct. average
or
46½ Hogs B-1 Grade A 60% of market 205 lb.
TO BUY TRACTOR (improved 2-plow class)
The Financial Post

Source: Canadian Federation Of Farm Equipment Dealers

A study in the size of farms in Eastern Canada in 1921 and 1941 indicates that in all provinces except Quebec there were fewer 50-100 acre farms in 1941 than in 1921, and in Eastern Canada as a whole there were more of the larger farms.

Mechanization means that never before in Canada was so much food produced by so few. Fifty years ago over 40% of the labor force of Canada was employed in agriculture. Today it's estimated at slightly over 18%. Here are the figures:

Proportion of Farm Labor to total

Year	%
1901	40.2
1911	34.3
1921	32.8
1931	28.8
1941	25.8
1950	19.9

Every new invention has meant less work and greater output. For example in 1830, prior to the invention of the reaper and the steel plow, it required 55.7 manhours to produce one acre of wheat.

In 1896, following the first major development in harvesting and threshing of wheat (the horse hauled binder) this was cut to 8.8 hours per acre. In 1930 with the introduction and use of the smaller tractors on the farm, combines and further development in tillage and harvesting equipment, this was again cut to 3.3 manhours per acre.

Today with the use of the rubber-tired tractor, high speed tillage operations and the self propelled combine, one acre of wheat may be produced with 1.5 man hours.

The development of harvesting equipment has been the greatest single factor in the mechanization of wheat farming, according to Prof. C. G. E. Downing of the Ontario Agricultural College.

—Using the sickle it required 15-20 hours to cut one acre of wheat.

—Using the cradle it required 5 hours per acre.

—Using the binder it required 1 hour per acre.

—Using the combine it takes only 10-15 minutes to harvest and thresh one acre in a single operation.

To a slightly lesser extent this is the history of all crops and to today's labor short farmer, mechanization really pays off.

Example of Hay Crops

Take the hay crop. By the old method of cutting, raking and back-breaking hand loading, using old dobbin—4.6 manhours of labor are required per ton, with an investment of about $800 in equipment. This results in a total cost of harvesting the hay of $4.07 per ton.

The use of the hay loader reduces the manhours to 3.62 hours per ton. The investment is only increased by $100 and the cost per ton is reduced to $3.58.

Tractor mowers and tractors with side delivery rakes reduce the manhours per ton still further to 3.2 hours per ton. Although the equipment invested here is more than $2,000 the actual cost per ton is only $2.97. The use of the pickup baler again reduces the manhours per ton to 2.7. Investment in equipment is $4,000 and cost per ton is $3.62.

Going one step further to the latest forage-harvester of today, there's a reduction of manhours to 2.3 hours per ton, an increase in investment in equipment to $6,600 with an actual cost per ton of harvested hay of $3. (These costs, prepared by the Ottawa Central Experimental farm, are based on practical size units and operated for a reasonable amount during the hay season).

To get these results the farmer has had to invest and keep on investing in new equipment and equipment replacements. Statistics show there's been a gradual increase in the average total investment in machinery per farm from $213 in 1901 to $813 in 1941.

It's likely today's average total investments are more than $1,200 since the average invested in 1938 was $50 per farm, while in 1948 this average purchased investment was $237.

So today, although there are still 1,505,200 horses in Canada, (June 1, 1951), the horse is fast becoming a pet, showpiece and even a budget priced meal. With a total of 706,008 farms, the farmers in Canada own and operate 404,866 tractors, 88,880 combines which reduce the volume of harvest help wanted, and 93,554 threshers. In addition there's the huge amount of power operated machines and implements on which there's no full record.

No example of the necessity of mechanized equipment is better than the problem of moving and storing grain. The storage and transportation crisis of this and last year's season has brought into demand new equipment:

—metal storage bins easily assembled and moved about as required.

—grain elevators, grain loading augers and chain type conveyors.

—power dumps to speed unloading.

On The Small Holding

Mechanization has not, however, been limited to the big or even 100 acre farms. The home owner, wholesale market gard-

(Continued on page 26)

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HARTWELL HICKORY HANDLES
are Canada's Finest . . .
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- Uniform in Pattern
- Severely Graded
- Guaranteed

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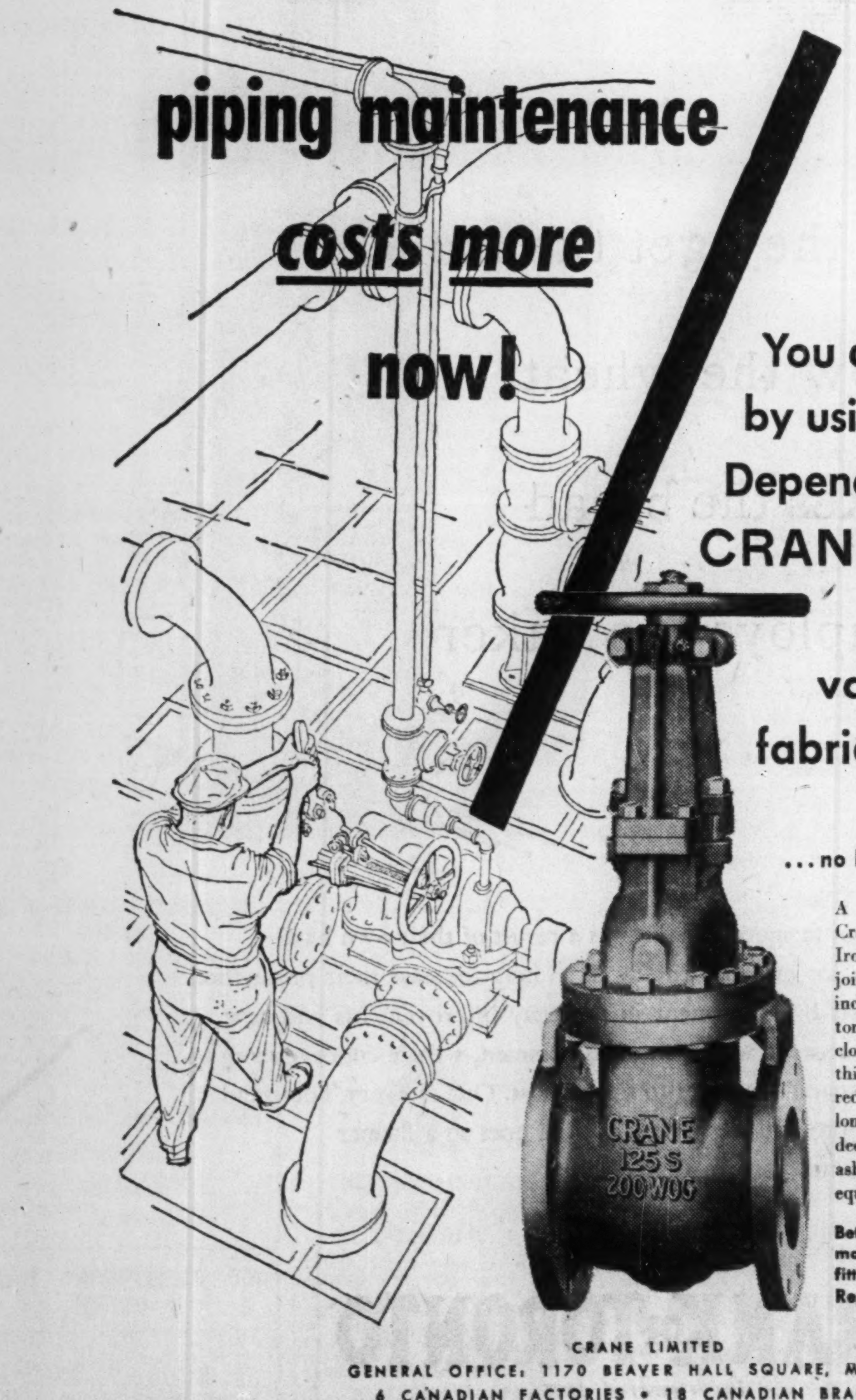
LIMITED
Manufacturers of Hickory and Oak Handles
WINDSOR — ONTARIO



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PLUMBING • HEATING
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EVERY CANADIAN BENEFITS WHEN FARMERS ARE PROSPEROUS

CRANE
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200 WOG

Massey-Harris manufactures 207 different types of time and labor-saving farm machines that are increasing food production in practically every country in the world.

Science in the Corn Field
- Has Increased Yields By One-Third
- Has Cut Man-Time In Half
- Has Pushed Canada's "Corn Belt" Many Miles Northward

In just twelve years, Canadians have written a remarkable chapter into the progress and production of corn in this country. Crossing and recrossing hundreds of corn varieties, Canadian plant experts have developed superior hybrid strains of Canadian corn that are hardier and stronger . . . mature earlier . . . and yield up to one-third more grain or fodder.

Continuous research and field testing have aided engineers in developing modern time and labor-saving machines like the big, smooth-working Massey-Harris self-propelled Corn Picker (above) that picks more corn than 15 men using old-fashioned methods. These mighty machines have speeded up the harvest and freed more men for industry in times of national emergency.

Quick to recognize advance in plant breeding and modern machinery, enterprising Canadian farmers have steadily expanded hybrid corn growing in this country . . . harvesting hardy, bountiful crops to help make all Canadians more prosperous.

A CANADIAN COMPANY WITH A WORLD-WIDE ORGANIZATION
MASSEY-HARRIS

How Chemistry Comes to Farmers' Aid

Test Tube Brings Earlier, Bigger Crops—Fewer Weeds, Insects

Fertilizer as such is about as unromantic a subject as you could think of.

Add the word "chemical" to it, see what it's done for Canadian farms and the economy in general, and it begins to look like one of the more incredible fairy-story achievements of modern science and chemistry.

Today, an industry that was born more by accident than design, makes possible a tremendous increase in crop yield. A ton of chemical fertilizer will produce 12 tons of wheat not grown before.

On an outlay of $4 for fertilizer, a wheat farmer under average conditions can get at least 750% return.

An acre of corn normally yields about 45 bushels. Treated with $4.50 worth of fertilizer, it can yield up to 60 bushels.

An acre of potatoes can be made to double the crop.

But there's another important angle besides this dramatic increase in yield. Fertilizer also stimulates quicker growth and early maturity, a big factor in a country where the growing season is short.

Control Weeds, Insects

At the same time, chemical fertilizer's deadly twin-insectides and herbicides—are helping control pests and weeds that play havoc with crops. Rust, once a deadly enemy of wheat, has been all but brought under control. The Colorado beetle or common potato bug has disappeared in large areas.

Last year in addition to spraying or dusting thousands of miles of roadsides, nearly 15 million acres of crops were treated with 2-4,D. Sharp increases in yield followed for the simple reason that the precious moisture and plant food that the weeds would have used went into the crops wanted.

The advantages of chemical fertilizers, insecticides, etc. are so obvious today that it has reached the point that to operate profitably, a farmer can't afford not to use them.

A lot of Canadian farmers seem to have reached this conclusion. Last year they spread 740,000 tons of commercial fertilizer in their fields. They would have used a lot more but most suppliers have put their customers on quota, since the basic ingredients of chemical fertilizer are also basic to defense.

The guns-and-butter problem looms large here too.

Cominco's Role

How did all this start?

Consolidated Mining & Smelting Co., one of the biggest producers in Canada, got into the chemical fertilizer business indirectly in 1930.

Cominco is primarily a lead and zinc producer. In roasting ore concentrates, a continuous stream of sulphur gas is produced and discharged in smoke and fumes.

It wasn't long before this all but denuded the countryside around Trail of everything green. Complaints began to pour in from nearby Montana and Washington States. Soon Cominco had lawsuits on its hands.

An International Boundary Commission imposed such rigid controls that Cominco had to do something about its sulphur gas problem.

Cominco solved it by extracting all the SO_2 from the smoke pouring from the giant smelter smokestacks.

Then it had to do something with the sulphur. Cominco's chemical industry was born right then.

Today it is a major part of Cominco's operations. Demand for it is as great if not greater than for its lead and zinc.

To meet that demand, Cominco is building a $9 million chemical plant at Kimberley, 200 miles north of Trail. It will use the same basic source of raw materials as the parent plant—SO_2 extracted from ore.

At Calgary, Cominco already has a big plant operating to try and keep up with demand. It was built during the war and made explosives. Now it is producing ammonium nitrate for fertilizer.

Adorning the walls of the huge phosphate plant at Trail are bags testifying to the world-wide demand of Cominco's Elephant brand fertilizers.

There are at least 20 bags, each used to ship Cominco fertilizer to a different country.

Chemical Fertilizer

Canadian Industries Ltd., another major producer, got into the fertilizer business through the war. It manufactured sulphuric acid for explosives. When war ended, it turned to chemical fertilizers.

Altogether, there are 32 plants in Canada producing fertilizers of all kinds. But only three produce the basic materials: Cominco, C-I-L and American Cyanamid, Niagara Falls. Eight firms are engaged in "mixing" only, while five steel and coke companies produce fertilizer compounds as by-products.

In 1921, fertilizer was a puny, undernourished orphan of the chemical industry. Gross value was a trifling $2.7 millions, just 3% of the industry's total output.

Today, it's a fast-growing youngster, ranking third in the industry's dollar-value list. Sales well over $50 millions a year, or 13% of the industry's total.

Rising Costs Squeeze Canada's Dairy Industry

(Continued from page 23)

tion, and the dairy farmer alone cannot provide the solution of any of them. Sometimes he is blamed, at least by inference, for not being as efficient as he should be. After having seen dairy farming in many lands, I refute that inference. He works longer hours, and just as efficiently as I have seen anywhere else. He has mechanized to the limit to save labor, and copes with climatic conditions which are certainly not the best in the world for cheap milk production. The quality of Canadian milk products is equal to the highest in the world, and producers and processors are continually alert to take advantage of new scientific findings and new technical developments that will cheapen or improve their products.

The Dairy Future

What of the future? It is never safe to prophesy, but unless some of the new processes in the handling of milk succeed in reducing distributing costs, or some of the new dairy spreads made entirely from milk are able to compete in price with vegetable fats, the outlook is not too bright. The only other hope is for a complete change of attitude on the part of the general public and our governing bodies toward the importance of the dairy industry to both the health and welfare of our country.

The present generation of older farmers will carry on to the end, but I am doubtful of what the younger ones will do. Let us look realistically at what the industry has to offer a young couple wanting to start a dairy farm.

They have to buy the farm, and the land is the only thing they have to buy that has not felt the full effects of inflation. They can possibly buy a 100 to 150 acres of land at from $12,000 to $14,000, depending on the quality of buildings and improvements, value of which today is about the going price for farms. To all intents and purposes the land is thrown in.

At this point the luck of our young farmer ends. Twenty good grade cows, and less than this will not have earning power to meet his overhead, will cost him at least $6,000. He will have to mechanize, so that he can operate independent of labor and this will cost him not less than $5,000. He has, therefore, to have or be able to raise around $25,000, and it will take a bit of courage for any couple to embark on such a project as the outlook stands today.

True, for those who prize independence and the right to carve out their own place in society and who are not afraid of hard work, dairying still offers a prize that is great. But it will never be accomplished by what seems to be accepted as the working hours of the great bulk of our people.

No country has ever remained great without a strong, virile, rural population, where the people have to stand up to the buffetings of nature and create their own destiny by their own efforts. The contribution this kind of environment has made, and can continue to make in men and women who will provide leadership for our country should not be overlooked. It is certainly not for the good of the future of Canada, when we create conditions that will discourage people from facing up to this challenge.

Farm Machinery Demand To Run Ahead of Supply?

(Continued from page 25)

ener, nurseryman and small fruit growers have all wanted new and labor saving equipment that's easy to operate and not bulky.

For them the garden tractor—with its many attachments has come to fill the bill. It becomes a tilling and general cultivator tool, a lawn mower, a portable power plant which can be rolled into position on its own power and an all round hired hand.

Garden tractors are of two main types—the standard type with a large variety of attachments and the, rotary tiller. They come in the walking, riding and two and four wheel sizes.

With more city workers having country plots, better transportation facilities, shorter work hours, the market for these small tractors is steadily increasing. During 1949, 6,500 of these small units were sold in Canada.

Mechanizing the small farm or part time holding with a garden tractor is as important to the owner as power equipment is to the large acreage farmer. And with the many types of attachments available, the small farm can now be mechanized efficiently and economically.

Many of these small outfits will operate for as little as 50c a day in fuel and oil. In many cases they can be put to work throughout the year, from seeding, planting, weed eradicating and lawn mowing in the summer to clearing snow in the winter with a dozer blade. Being air cooled, freezing or antifreeze are no problem for the operators.

Another great factor in mechanization and time and labor saving equipment is rural hydro for the many barn chores, home chores and a general raising of the standard of living on the farm to include home freezers, electrically controlled heating, air conditioning and the many home appliances.

Nowhere on the farm have the effects of electrification been more widely felt than in the dairy, increasing profits, and promoting higher hygienic conditions.

On the average it takes 10 minutes to milk a cow by hand, a machine cuts this down to 4 minutes without fluctuation. A modern electric separator skims off the cream.

The effect of electrification has been felt all the way down the list of dairy equipment in handling milk from cow to consumer. At many dairy farms today a modern six-stall milking parlor replaces the old rough and ready stalls. By use of vacuum tubes, six cows can be milked simultaneously, with milk going through flow lines direct to the cooling cans or separator without coming in contact or even near a fly or hand.

New Equipment

New trends in equipment reported to The Post include: the forage harvester, widespread use of hydraulics in equipment, liquid petroleum gas, electrovation, mechanical grazing and the Noble Blade.

Where a **forage crop harvester** is used, the labor required to gather and store a crop is reduced to a minimum although the investment is relatively large. By using a harvester, an unloader and blower, grass silage, corn for silage and dry chopped hay can be placed in storage without manually handling the crop. For economical use it's limited to reasonably large annual tonnage of the crop.

The use of **hydraulic power** for controlling implements in the field is past the experimental stage. It eliminates manual labor for lifting and ensures far greater control of implements. The advantage of the immense power available is demonstrated in the handling of heavy equipment, as in earth moving machinery where it was applied 20 years ago. The biggest and most careful jobs can be done with the lightest touch.

Liquid petroleum gas after much experimentation has been found efficient and economical due to the increase in compression ratio given (9:1). Another desirable feature is non-carbon-forming action. At present however main barrier to wide usage at present is difficulty of obtaining the fuel because of transportation problems.

Electrovation is a step which may revolutionize farming. It consists of a machine which electrocutes undesirable weeds and appears to stimulate the growth of the following crop. The machine consists of a diesel driven generator together with a step-up transformer. It gets at weeds chemicals can't kill.

Mechanical grazing covers the entire program of feeding stock by the use of machines such as mechanical feeders and the forage harvester. It's been the rule in the past to run as much stock as possible on every acre of land to improve the land. Often this causes excessive trampling down, hard packing of the soil and tearing up of the grass by the roots.

While stock is kept in barns, or in a feed lot, the forage harvester can cut the grass into short lengths and blow it onto a truck to carry to the cattle. This pays off in increasing the yield carrying capacity per acre by as much as four times yield under normal grazing conditions.

The **Noble Blade** is a straight or V-shaped eight foot long blade similar to a giant weeding knife. It's an implement for stubble mulch farming, considered to be of great value to the Western farmer as the most effective way of killing weeds, especially tap-rooted pests as thistles, without destroying the surface layer of protective mulch which protects the soil and absorbs and holds rainfall.

Constant improvement of farm mechanization methods, will mean greater prosperity, greater productivity and increased diversification of output for Canada's billion dollar industry—agriculture.

ADDRESSOGRAPH - MULTIGRAPH OF CANADA LTD. earned surplus at July 31, 1951, was $1,343,848. U. S. dollar equivalent of net assets amounted to $1,498,325, of which $1,118,868 represented net current assets. The much needed new plant in East York Twp., outside Toronto, should be in full operation by December, 1951, says the annual report of the parent firm, Addressograph - Multigraph Corp., Cleveland, Ohio. "Earned surplus is considered adequate not only to maintain dividend payments to the parent corporation but to finance new plant construction without dollar assistance from the corporation."

CARLETON COUNTY, Ont., has awarded an issue of $400,000 4¼% debentures, due Nov. 1, 1952-1971, to a syndicate of John Graham & Co., Ottawa, J. L. Graham & Co., Toronto, and the Bank of Toronto, at a price of 100.041. Three other tenders were submitted.

Proceeds for new district high school for South Carleton High School Area, at Richmond.

THE AGRICULTURAL INSTITUTE OF CANADA

- Consists of more than 3,000 research workers, administrators, extension workers, university instructors, and other agricultural graduates, in the service of government at all levels, and of industry.
- Since 1946, has sponsored 76 scholarships, worth $800.00 each, for post-graduate study in Agriculture.
- Is at present conducting a survey of agricultural research in Canada, under the distinguished direction of Dr. Robert Newton, President Emeritus of the University of Alberta.
- Publishes two periodicals— The "Agricultural Institute Review", a bi-monthly magazine, and "Scientific Agriculture", published for the National Advisory Committee on Agricultural Services, representing the 11 senior Governments in Canada.

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General Secretary

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Agriculture

ONTARIO'S BILLION DOLLAR INDUSTRY

For the fourth successive year Ontario farmers have produced more than a billion dollars worth of farm products. The 1951 value of agricultural production is estimated at a new high of one billion, two hundred and fifty million dollars. This is a major contribution to the economic life, even in this highly industrialized Province.

Ontario farms provide the livelihood for some 280,000 persons directly engaged in agriculture. At the same time they provide the raw materials for processsing and manufacturing industries which in turn employ over 100,000 persons.

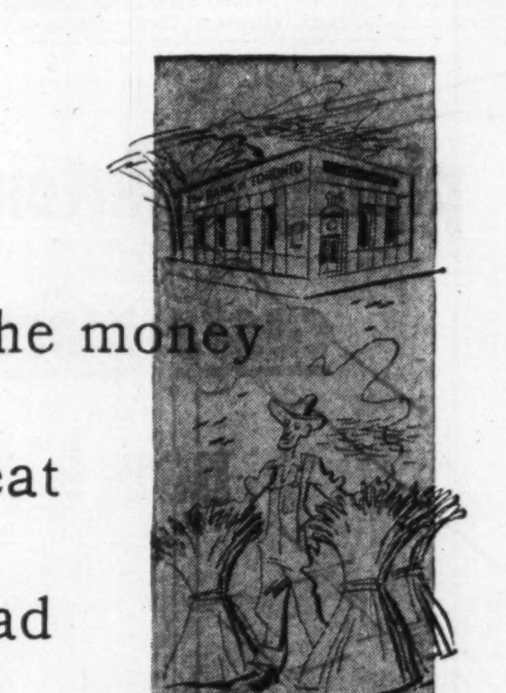
Agriculture was the basic industry in the early history of Ontario. It still remains basic, since prosperity in agriculture is fundamental to the general prosperity of the Province.

ONTARIO DEPARTMENT OF AGRICULTURE

Col. the Honourable
Thomas L. Kennedy
Minister

ONTARIO

Clifford D. Graham
Deputy-Minister



Where do they get the money
To grow the wheat
That makes the bread
That employs the baker?

Much of it comes from farmers' earnings as a result of their own hard work—but a lot of it is lent by us to help increase their production and cut their costs by investment in property improvements and new machinery. As we do with other businessmen, we are endeavouring to cooperate with Canada's farmers to the utmost. Out of every Thousand Dollars we lend—approximately One Hundred goes to a farmer somewhere in Canada.

THE BANK OF TORONTO
Incorporated 1855

DIVIDEND NOTICES

THE ROYAL BANK OF CANADA

Dividend No. 257

Notice is hereby given that a dividend of twenty-five cents per share upon the paid-up capital stock of this bank has been declared for the current quarter and will be payable at the bank and its branches on and after Saturday, the first day of December next, to shareholders of record at the close of business on the 31st day of October, 1951.

By order of the Board,
T. H. ATKINSON, General Manager.
Montreal, Que., October 16, 1951.

IMPERIAL BANK OF CANADA

NOTICE is hereby given that a bonus of Twenty Cents (20c) per share on the paid-up Capital Stock of this Bank has been declared for the year ending 31st October, 1951, payable at the Head Office and Branches of the Bank on and after Saturday, the First day of December, 1951, to shareholders of record at the close of business on 31st October, 1951.

By Order of the Board.
L. S. MACKERSY,
General Manager.
Toronto, 17th October, 1951.

Lake of the Woods Milling Company Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN THAT a dividend of 1¾ % has been declared on the Preferred shares of the Company, payable on December 1st 1951 to shareholders of record at the close of business on November 1st 1951.

BY ORDER OF THE BOARD
D. A. MacInnes
Secretary.

NOTICE IS HEREBY GIVEN THAT a dividend of 40c per share has been declared on the outstanding shares of the Common Stock of the Company, payable on December 1st 1951 to shareholders of record at the close of business on November 1st 1951.

BY ORDER OF THE BOARD
D. A. MacInnes
Secretary.

ROYALITE OIL COMPANY, LIMITED

NOTICE OF DIVIDEND NO. 52

NOTICE is hereby given that a Dividend of Six and one-half Cents per share has been declared payable to shareholders of the Company of record as such on the books of the Company at the close of business on Friday, the 16th day of November, 1951, and that the said Dividend will be payable on or after Saturday, 1st day of December, 1951.

By Order of the Board.
R. D. MERCER,
Secretary Treasurer.

Calgary, Alberta,
October 18, 1951.

SYLVANITE GOLD MINES, LIMITED

(No Personal Liability)

TO SHAREHOLDERS AND HOLDERS OF SHARE WARRANTS:

NOTICE OF DIVIDEND NO. 82

TAKE NOTICE that a semi-annual dividend of 4% (i.e. four cents per share) on the outstanding Capital Stock of the Company, payable in Canadian funds, has been declared as Dividend No. 82.

Such dividend will be payable January 2nd, 1952, to shareholders of record at the close of business November 5th, 1951. In the case of Share Warrants such dividend will be payable on or after January 2nd, 1952, in respect of the shares specified therein upon presentation and delivery of Coupon No. 82 at:

The Canadian Bank of Commerce, Toronto, or any Branch of said Bank in Canada (far Northern Branches excepted), or, Liberty Bank of Buffalo, Buffalo, N.Y.

By Order of the Board.
W. S. WALTON,
Secretary.
October 22nd, 1951.

RESOURCES OF CANADA INVESTMENT FUND LTD.
FONDS DE PLACEMENT DES RESSOURCES DU CANADA LTÉE

NOTICE is hereby given that a dividend of FOUR CENTS per share has been declared on the outstanding Common Shares of the Capital Stock of the Company, payable on 15th November, 1951, to Shareholders of record at the close of business on 31st October, 1951, and to holders of Bearer Share Warrants on presentation of Coupon No. 4 on and after 15th November, 1951, as stated therein.

By order of the Board.
ADJUTOR SAVARD,
Assistant Secretary
Montreal, Que., 27th October, 1951.

QUEMONT MINING CORPORATION, LIMITED

DIVIDEND NOTICE

Notice is hereby given that an Interim Dividend of One Dollar ($1.00) per share, payable in Canadian Funds, has been declared by the Directors of Quemont Mining Corporation, Limited, payable 28th December, 1951 to shareholders of record at the close of business on 30th November, 1951, subject to the regulations of the Foreign Exchange Control Board.

By Order of the Board.
W. HARRISON,
Secretary-Treasurer
Toronto, Ontario,
29th October, 1951.

LOBLAW GROCETERIAS CO. LIMITED

NOTICE is hereby given that a quarterly dividend of 25 cents per share and a bonus of 12½ cents per share on the Class "A" shares and a quarterly dividend of 25 cents per share and a bonus of 12½ cents per share on the Class "B" shares of the Company have been declared for the quarter ending November 30th, 1951, payable on the 1st day of December, 1951, to shareholders of record at the close of business on the 6th day of November, 1951. The transfer books will not be closed. Payment will be made in Canadian Funds.

By Order of the Board.
R. G. MEECH,
Secretary.
Toronto, October 24th, 1951.

DIVIDEND NOTICES

Brazilian Traction, Light and Power Company, Limited

(Incorporated under the Laws of Canada)

Notice is hereby given that the Board of Directors of this Company has declared a dividend of $1.00 per share on the Company's issued Ordinary Shares of no par value, payable on December 15th, 1951, to shareholders of record at the close of business on November 9th, 1951.

The dividend on the shares represented by Share Warrants to Bearer will be paid against surrender of Coupon No. 88 at one of the places of payment specified below.

Shareholders have been advised that meetings have been called for November 14th, 1951, to consider the proposed Scheme of Arrangement for sub-division of the Ordinary Shares; accordingly it is emphasized that the proposed Scheme of Arrangement will not be effective on November 9th, 1951, the record date for payment of the above dividend, and such dividend has reference only to the Ordinary Shares of no par value as presently constituted.

Payment of this dividend to non-residents of Canada will, where applicable, be subject to deduction of Canadian Non-resident Income Tax.

Places at which coupons may be lodged for payment:

In Belgium, at Brussels:

Lloyds & National Provincial Foreign Bank Limited.
Banque de Bruxelles.
Banque de la Societe Generale de Belgique.
Banque de Paris et des Pays-Bas.
Banque de Reports et de Depots.
Nagelmackers Fils et Cie.

In France, at Paris:

Lloyd's & National Provincial Foreign Bank Limited.

In the Netherlands, at Amsterdam:

Amsterdamsche Bank N.V.

In the United Kingdom, at London:

The Canadian Bank of Commerce.

In Canada, at the Head Office of the Company:

25 King Street West, Toronto.

For the convenience of holders of Bearer Share Warrants, arrangements have been made for the payment of coupons in Canadian currency against surrender thereof at any of the places specified above and subject to regulations in force at each place of payment.

Full information as to the procedure to be followed can be obtained in Brussels, from Lloyds & National Provincial Foreign Bank Limited, or in Paris or Amsterdam, from the Banks there specified or in the United Kingdom from the Company's Agents, Canadian-Brazilian Services Limited, 148 Leadenhall Street, London, E.C.3, England, or from the Company in Toronto.

Dated at Toronto, Canada, the 23rd day of October, 1951.

By Order of the Board.
OSBORNE MITCHELL,
Secretary.

The Transfer Agents of the Company are National Trust Company, Limited, Toronto and Montreal, Canada, and The National City Bank of New York, New York, who should be notified promptly of any change of address.

AUNOR GOLD MINES, LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that an interim dividend of Five Cents (5c) per share has been declared by the Directors of Aunor Gold Mines, Limited, payable December 1st, 1951, to Shareholders of record November 9th, 1951.

By Order of the Board.
C. H. WINDELER,
Secretary.
Toronto, Ontario,
October 29th, 1951.

Canadian Car & Foundry Company, Limited

CAN-CAR

Notice is hereby given that dividend No. 23 of twenty-five cents (25c) per share on the Class "A" Stock and dividend No. 47 of twenty cents (20c) per share on the Ordinary Stock of the company, have been declared, for the three months ending November 22, 1951, payable November 22, 1951, to shareholders of record October 30, 1951.

By Order of the Board.
D. H. FORSYTH, F.C.I.S.
Secretary
Montreal, Canada,
October 22, 1951.

Universal Cooler Company Limited

Preference Dividend No. 8

NOTICE is hereby given that the Eighth regular quarterly dividend, for the quarter ending on the fifteenth day of November, 1951, of one and one-half per cent (1½%) has been declared on the outstanding 6% cumulative participating redeemable preference shares of the Company, payable November 15, 1951 to shareholders of record at the close of business of November 1, 1951.

By Order of the Board.
A. D. HALL,
Secretary.
Brantford, Ontario, October 26, 1951.

THE SHAWINIGAN WATER AND POWER COMPANY

NOTICE is hereby given that a dividend of fifty cents (50c) per share on the Series "A" 4% Cumulative Redeemable Preferred Shares and a dividend of fifty-six and one quarter cents (56¼c) on the Series "B" 4½% Cumulative Redeemable Preferred Shares of the Company have been declared for the quarter ending Dec. 31, 1951, payable January 2, 1952, to shareholders of record December 2, 1951.

By Order of the Board.
J. L. T. MARTIN,
Secretary.
Montreal, October 22, 1951.

Moving Milling Grades Only Still Western Wheat Plague

For complete story on the 1951 grain crop and outlook, see page 24.

WINNIPEG—There's plenty of wheat on the ground in Western Canada, but there's still a problem—getting the milling grades to the flour mills at home and abroad.

Wheat Board officials are confident they can get enough into the hands of millers, but the millers aren't quite so optimistic. They claim faster deliveries of the milling grades are needed.

Here's the picture:

By Oct. 31, Wheat Board estimated, 150 million bushels of wheat would be threshed. Milling requirements for all Canada are estimated at four million bushels a month, about 48 millions for the year. The Wheat Board has already issued a directive to the grain trade and the railways to give priority in shipments to milling grades. The biggest problem in getting milling grades to the mills is to deliver it quickly before close of navigation. The Board is confident it can do this.

As for export requirements there is reasonable hope but not the same degree of confidence. Wheat Board officials however, say they are reasonably sure of being able to get enough supplies into position although some difficulty may be encountered in getting particular grades.

Pacific Commitments

In this the big difficulty may be the Pacific Coast situation where large commitments—about 100 million bushels—have been entered into this winter. Normally supplies to meet them come from Alberta where not more than 40% of the crop has been threshed. It is likely available supplies from Alberta will have to be supplemented by deliveries from Saskatchewan, which will increase transportation difficulties.

The commitments this crop year from the Pacific Coast are largest on record.

The success or failure in meeting these commitments, Board representatives said, depends on ability of the railways to provide transportation. While enough wheat of milling grades has been threshed to meet immediate requirements, the Board also points out there may be a serious problem next spring and summer, if conditions in the spring make it impossible to get the unharvested part of the crop threshed and delivered in fairly good condition.

Attempts are being made to speed up deliveries to eastern mills by getting dock workers at the Lakehead to work Sundays. This would facilitate despatch of lake boats. So far the men have not seen fit to agree to it. Even though they finally refuse the Wheat Board thinks it can keep Canadian mills supplied with milling grades and supply immediate export commitments.

—Photo by Karsh.

J. McG. STEWART

chairman of the board, Mersey Paper Co., has been elected a vice-president, Royal Bank of Canada.

Mortgages of Farm Loan Board Lower in Past Fiscal Year

The Canadian Farm Loan Board invested $4.7 millions in first and second mortgages with Canadian farmers in the fiscal year ended March 31, 1951, the Board's annual report states. This is a 9% decrease from the preceding year, and brings to $28,458,000 the total investment in mortgages outstanding. The total applications made for loans stood at 2,476, about the same as in the previous year.

Since World War II, the Board has approved two-thirds of all applications made for loans, compared with the average 46% approval during the thirties. In one year, fiscal 1935, there was only 38% approval, 8,342 out of 21,698.

In 1950, as in 1949, Saskatchewan farmers received the most, followed by Ontario and Quebec. These three provinces received 60% of the total amount loaned during the year. All provinces except Nova Scotia showed some slight increase in arrears in this latest report. Total arrears stood at $1,274,281.

Increased administrative costs cut the profit to $131,705 compared with $142,428 in 1949. Surplus goes to offset possible losses and as a reserve to eventually pay off the original Dominion Government advances of $5 million. Each year the Board pays interest at 3½% (totalling $175,000) on this advance. Over $500,000 annually goes for interest on bonds and other borrowed moneys.

The Board was established in 1929 to give long-term mortgage credit up 25 years to farmers. In 1934, an amendment permitted the extension of short-term credit up to 6 years to its long-term borrowers through second mortgages. The long-term first mortgage bears 4½% interest and 5% on arrears. It is to be used for purchasing land, and may be for one-half the appraised value of the farm with a maximum of $5,000. The short-term second mortgage bears 5%. It is for paying debts, livestock, implements, improvements, etc., and cannot be used for purchasing land. Its maximum is $6,000.

The Board gets its funds from the initial $5 million advanced by the Government, capital stock owned by the Government, and the sale of bonds.

In 1935 the Board was authorized to make loans under the Fisherman's Loan Act on security of real property. No loans were made under the Act this year.

FARM BOARD LOANS BY PROVINCES
Year Ended March 31, 1951
(Amts. in $ 000's)

	1st Mtge. No.	1st Mtge. Amt.	2nd Mtge. No.	2nd Mtge. Amt.	Total Amt.
B. C.	124	289.6	21	17.5	307.0
Alta.	244	478.7	66	39.6	518.3
Sask.	412	985.9	260	158.2	1,144.0
Man.	146	374.2	70	41.9	416.1
Ont.	297	843.5	79	49.2	892.7
Que.	308	801.6	144	80.9	882.4
N. B.	132	256.2	17	9.9	266.0
N. S.	47	107.4	3	1.2	108.5
P. E. I.	86	175.7	20	11.5	187.2
TOTAL	1,796	4,312.5	680	409.6	4,722.0

ALUMINIUM LTD. reports that 675 shares have been issued, making a total of 3,722,725 outstanding.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

MIDLAND & PACIFIC GRAIN CORP., Calgary, Alta., net profit of $127,224 for the year ended July 31, 1951 was down 47% from the previous year's net of $239,848. In the year patronage dividends of $83,987 were paid, apparently for the first time, which are deducted before arriving at the net profit.

Effective March 5, 1951 authorized capital was increased by the creation of 300,000 4% non-cumulative redeemable preference shares, par $5, all of which were subsequently issued as a stock dividend. On June 15, 1951 the capital stock was reduced by the cancellation of these preference shares, the preferred shareholders receiving payment of $1,500,000.

Consolidated earned surplus includes $195,949 tax-paid undistributed income.

Working capital was reduced to $563,975 at July 31, 1951 from $1,358,074 at July 31, 1950.

CONS. INCOME ACCOUNT

Years Ended July 31:	1951	1950
Net earnings	$423,938	$489,056
Less: Depr.	104,991	105,596
Patronage divds.	83,987	......
Income tax	107,736	143,612
Net profit	127,224	239,848
Less: Divds.	*	100,000
Surplus for year	127,224	139,848
Earnings per Share and Dividend Record:		
Common	$1.27	$2.40
Paid	*	1.00

*Stock dividend paid from earned surplus.

CONDENSED CONS. BALANCE SHEET

As at July 31:	1951	1950
Cash	$123,617	$725,509
Marketable secs.†	......	105,191
Accounts rec.	122,778	96,358
Inventories	1,473,788	1,007,255
Total curr. assets	1,720,177	1,934,313
Invests. & mbrships.	96,936	120,634
Misc. assets▲	......	25,302
Prep. expense	§37,967	......
Fixed assets*	925,094	885,756
Total assets	2,780,174	2,966,005
Due bank	667,501	......
Accts., etc., pay.	350,823	361,110
Patronage divd.	83,987	98,181
Taxes payable	53,891	116,948
Total curr. liabs.	1,156,202	576,239
Notes payable	600,000	......
Deferred liabs.	496,210	279,478
Capital stock	100,000	100,000
Capital surplus	......	786,899
Earned surplus	■427,762	1,223,389

■Incl. $786,899 transferred from cap. surplus; less stock divd. of $1,500,000 and $299,308 taxes pd. on undistrib. income. Includes $195,949 tax pd. on undistributed income.

§Included in curr. assets in co's report.

	1951	1950
†Market value	......	105,513
*After depr. of	1,860,123	1,794,850
▲Incl. ref. EPT	......	4,353
Working capital	563,975	1,358,074

INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT had a net income of $4,261,872 for the three months ended Sept. 30, 1951, the first quarter of the fiscal year, ($3,744,733 for similar 1950 period). This was placed in general reserve against losses on loans and guarantees to bring it to $46,417,089.

Gross income for the period was $8,067,284, after deducting loan commissions of $1,734,577 which were appropriated to the special reserve ($6,724,481 and $1,543,088). The special reserve amounted to $21,863,026 on Sept. 30.

The bank disbursed the equivalent of $32,867,372 during the quarter bringing the total disbursements to the equivalent of $724,594,501 on Sept. 30. The undisbursed balance of effective loans on this date was $368,020,054.

During the quarter the bank sold $242,000 of dollar bonds and the equivalent of $181,818 of Canadian dollar bonds which had been received pursuant to loan agreements with Corporation de Fomento de la Produccion (Chile) and Brazilian Traction, Light & Power Co.

The first full repayment of loans took place during the quarter with two loans, one to Finland and the other to Yugoslavia for equipment for timber production and totalling $5 million, being paid in full. Total principal repayment for the three months period was $1,917,184.

Membership in the bank increased to 50 countries with the admission of Sweden on Aug. 31. The total subscribed capital was raised to $8,438,500,000.

Funds for loans were increased during the quarter by bond issues in Switzerland and in the United States. These issues increased the total borrowings of the bank to the equivalent of $436,222,222.

UNITED GRAIN GROWERS LTD. consolidated net profit of $561,621 for year ended July 31, 1951 is up 42.9% from previous year's net of $393,182. In addition it had $101,323 profit on disposal of properties.

During the year, 22,704 Class "A" shares were issued at par, including 36 shares on re-allotment of 144 Class "B" shares. Outstanding at July 31, 1951, were 212,538 Class "A" shares and 51,644 Class B shares (exclusive of 2,469 "B" shares held in treasury).

CONS. INCOME ACCOUNT

Years Ended July 31:	1951	1950
Net earnings†	$1,840,888	$1,327,874
Less: Deprec.	616,002	555,567
Bond interest	183,265	129,125
Income tax	480,000	250,000
Net profit	561,621	393,182
Less: Divds.	226,066	201,867
Surplus for period	335,555	191,315

†After providing patronage dividends of $625,000 in 1951, $550,000 in 1950.

Times Fixed Charges Earned:	1951	1950
Before deprec.	10.04	10.28
After deprec.	6.68	5.98
Earnings per Share and Dividend Record:		
Cl. A: Earned	$2.64	$2.07
Paid	1.00	1.00
Cl. B: Earned	6.76	3.84
Paid	‡	‡1.00

‡Divd. of 25c appropriated from accounts in each year and set aside for possible future payments; divd. of $1 paid Sept. 1, 1950, from previous years' appropriations.

CONDENSED CONS. BALANCE SHEET

As at July 31:	1951	1950
Cash & Dom. bds.	$248,645	$322,869
Accts. rec.	1,081,151	911,838
Inventories	14,785,710	9,786,141
Total curr. assets	16,115,506	11,020,848
Prep. & def. chgs.§	354,180	211,969
Misc. assets	136,506	292,901
Fixed assets*	8,552,912	7,609,192
Total assets	25,159,104	19,134,910
Due bank	3,322,048	1,877,610
Accts. & tax. pay.	2,554,957	1,919,962
Patronage div. res.	625,000	550,000
3% ser. bds. due	200,000	225,000
Other curr. liab.	3,829,950	2,843,725
Total curr. liab.	10,531,955	7,416,297
Pension fund res.	......	362,825
Invent. val. res.	150,000	142,441
Deferred sh. certif.	......	......
Pat. div. cr. def.	675,988	589,921
Funded debt	5,800,000	3,150,000
General reserve	2,000,000	2,000,000
Capital stock	4,508,980	4,061,305
Capital surplus	170,438	170,438
Earned surplus	†1,321,723	▲1,241,663
*After depr. of	8,767,377	8,360,147

†Includes $101,323 profit on property sale; after $179,890 w/o financing exp. and $176,928 balance of cost of past service fund.

▲Includes $112,864 prof. on property sale and $107,762 credit adjust. re prior years; after $123,527 publication estab. costs, w/o and $232,114 re pension fund.

	1951	1950
Working capital	5,583,551	3,604,551

Massey-Harris Sales Higher But Net Lower

The 1951 sales of Massey-Harris Co. will set a record, sales in North American for the 11 months to Sept. 30 having substantially exceeded 1950's mark, President James S. Duncan said in announcing an increase in dividend rate. On world wide operations, the increase in sales exceeded 25%, he said.

Earnings for the year ending Oct 31 are expected to be somewhat lower than last year, owing to rising costs, higher taxes, material shortages with the attendant premium payments and disrupted production. It is expected nevertheless that the present year will add another near record of earnings, Mr. Duncan said. For the year ended Oct. 31, 1950, net profit was $15,015,803, equivalent to $1.95 a new common share after giving effect to the five-for-one stock split in March, 1951.

Directors increased the regular dividend rate on the common stock to a 60c a share basis with the declaration of a quarterly dividend of 15c a share payable Dec. 15, 1951 to holders of record Nov. 16 and in addition declared an extra dividend of 25c a share also payable Dec. 15. Dividends of 12½c a share had been paid June 15 and Sept. 15.

Disappointment over the size of the dividend declaration, combined with a weak stock market, resulted in Massey-Harris common selling off from $14¼ a share to a low of $13½ a share on the days of the announcement. Early this week it was still selling around $13 5/8 an share.

Cockshutt Plow Bylaws Okayed

Shareholders of Cockshutt Plow Co. at a special general meeting in Brantford this week unanimously approved two bylaws by a very large vote.

The bylaws authorized applications for supplementary letters patent changing the name of the company to Cockshutt Farm Equipment Ltd. and subdividing the existing n.p.v. common shares on a two-for-one basis as well as increasing the capital by the creation of one million additional common shares to provide for future capital requirements and expansion.

The company intends to issue to shareholders rights to subscribe for additional shares at a favorable price in the near future. The new capital will be employed to finance defense contracts and the general expansion of the business which is taking place in both the domestic and export fields.

Grain Prices

Chicago Futures

Week to October 29, 1951

Crop year from Aug. 1, 1951 High	Low		High for week	Low for week	Close Oct. 29
		Wheat—			
2.56¼	2.40¼	Dec.	2.55½	2.52	2.53⅞
2.59⅜	2.42½	Mar.	2.58½	2.54⅞	2.56¼
2.58⅞	2.41⅞	May	2.56⅞	2.52⅞	2.54¼
2.49	2.33¼	July	2.47⅞	2.42½	2.44½
		Corn—			
1.80¼	1.61	Dec.	1.80¼	1.76⅞	1.79½
1.83⅞	1.64⅞	Mar.	1.83⅞	1.81	1.83¼
1.85	1.66¼	May	1.85	1.82½	1.84¼
1.85¼	1.67⅞	July	1.84⅞	1.81⅞	1.83¼
		Oats—			
.91½	.80⅞	Dec.	.91	.83⅞	.89⅞
.94	.82⅞	Mar.	.94	.92½	.93⅞
.95¼	.82⅞	May	.95¼	.93¼	.94⅞
.91⅞	.81⅞	July	.91⅞	.90	.91¼
		Rye—Old Style			
1.95	1.70⅞	Dec.	1.94½	1.93	1.93
		Rye—New Style			
1.97½	1.68½	Dec.	1.97	1.93⅞	1.95½
1.98¼	1.69¼	May	1.97⅞	1.94	1.96⅞
1.94½	1.66	July	1.92¼	1.89	1.91½
		Soybeans—			
		Nov.	3.02	2.94½	2.98⅞
		Jan.	3.03½	2.95⅞	3.01
		Mar.	3.04⅞	3.02	3.02
		May	3.04¼	2.96¼	3.02
		July	3.02	2.95¼	3.00½

Chicago Cash

	For Week Oct. 29 High	Low	Prev. High	week Low
Corn—				
2 Yell.	1.82	1.80	1.81	1.79
Oats—				
1 H. Wh.	.95¼	.95¼	.93¼	.93¼

Winnipeg Futures

Week to October 29, 1951

Crop year from Aug. 1, 1951 High	Low		High for week	Low for week	Close Oct. 29
		Oats—			
.99	.80¼	Oct.	.99	.94⅞	.99
.95	.79⅞	Dec.	.94¼	.92½	.94⅞
.94¼	.82½	May	.93¼	.91⅞	.92⅞
.91	.89¼	July	.90	.89¼	.89¼
		Barley—			
1.48	1.12⅞	Oct.	1.46	1.41	1.44⅞
1.37⅞	1.09⅞	Dec.	1.37⅞	1.32¼	1.37¼
1.29⅞	1.11¼	May	1.29	1.25¼	1.28⅞
1.25⅞	1.16⅞	July	1.24⅞	1.21	1.23⅞
		Rye—			
1.99¼	1.65⅞	Oct.	1.98¼	1.89¼	1.93
1.96⅞	1.64	Dec.	1.93¼	1.89	1.93¼
1.98¼	1.66¼	May	1.96⅞	1.90½	1.95
1.94⅞	1.81¼	July	1.94	1.88¼	1.92¼
		Flax—			
4.71	4.01	Oct.	4.71	4.48	4.32½
4.57⅞	3.80	Dec.	4.57⅞	4.33½	4.40⅞
4.39	3.80	May	4.39	4.26	4.37
4.27	3.98	July	4.21	4.21	4.21

Winnipeg Cash

	For Week Oct. 29 High	Low	Prev. High	week Low
Oats—				
2 C. W.	1.02	.98¼	.97⅞	.94¼
3 C. W.	1.02	.98¼	.97⅞	.94¼
Barley—				
1 Feed	1.41⅞	1.38⅞	1.42½	1.36¼
2 Feed	1.36⅞	1.33⅞	1.37⅞	1.31½
1 Malt	1.48⅞	1.46⅞	1.50¼	1.44
Rye—				
2 C. W.	1.97	1.89½	1.98	1.87
Flax—				
1 C. W.	4.63⅞	4.49½	4.62½	4.48

WESTERN GRAIN COMPANY LIMITED

NOTICE OF REDEMPTION OF BONDS

TO THE HOLDERS OF 5% FIRST MORTGAGE SINKING FUND BONDS SERIES "B" OF WESTERN GRAIN COMPANY LIMITED

NOTICE is hereby given that Western Grain Company Limited has elected to redeem all its 5% First Mortgage Sinking Fund Bonds Series "B" maturing on the 2nd day of July, 1963, and that the date fixed for the redemption thereof is January 2nd, 1952, and that accordingly Western Grain Company Limited will, on **JANUARY 2nd, 1952,** redeem the said Bonds by payment of the principal sum thereof, with a premium of two per centum (2%) of such sum, and with interest accrued on the said Bonds to the said date fixed for redemption, in lawful money of the Dominion of Canada within Canada at any branch of the Bank of Toronto in the Dominion of Canada, or in such coin or currency of the United States of America as at the time of payment shall be legal tender for public and private debts at Guaranty Trust Company of New York, in the City of New York, United States of America, or in English Sterling at Midland Bank Limited in London, England for which purpose one Pound Sterling shall be deemed to be the equivalent of Four Dollars and Eighty-six and Two-thirds Cents ($4.86 2/3) lawful money of the Dominion of Canada, at the option of the respective holders upon presentation and surrender of the said Bonds, together with all interest coupons appertaining thereto maturing on and subsequent to January 2nd, 1952.

The holders of the said Bonds are accordingly required to present their Bonds (together with all unmatured coupons appertaining thereto, including the coupon maturing 2nd day of January, 1952) for redemption on **JANUARY 2nd, 1952,** at any of the aforesaid places.

AND NOTICE is hereby given that all interest on the said Bonds shall cease to accrue as from the said date fixed for redemption.

Coupons maturing prior to January 2nd, 1952, should be detached and presented for collection through the usual channels.

Attention of the holder is drawn to the recital on the face of the Bond "This Bond was issued in exchange for Series "A" bonds and 1/6 of the par value hereof represents arrears of interest on the Series "A" Bonds" and it will be necessary for each Bondholder to complete a form of Certificate of Ownership, which must be attached to the Bond when presented for payment, disclosing as income 1/6 of the principal amount of each Bond plus the premium and accrued interest.

This notice is given pursuant to the provisions contained in the Deed of Trust and Mortgage made by Western Grain Company Limited in favour of Montreal Trust Company (Trustee for the bondholders) dated as of the 2nd day of January, 1929, and Supplementary Deed of Trust and Mortgage made between the said parties, dated as of the 2nd day of July, 1943, under which the said Bonds were issued.

Dated at Winnipeg, Canada, this 19th day of October, 1951.

WESTERN GRAIN COMPANY LIMITED
K. J. Annandale,
Secretary.

NOTICES

THE DOMINION BANK

Notice of Annual General Meeting

The Annual General Meeting of the Shareholders will be held at the Head Office of the Bank, King & Yonge Streets, Toronto, on Wednesday the twelfth day of December next, at 2.30 o'clock p.m.

By Order of the Board.
A. C. ASHFORTH,
General Manager.
Toronto, 4th October, 1951.

DONOHUE BROTHERS LIMITED

NOTICE OF DIVIDEND

Notice is hereby given that a dividend of $0.25 per share has been declared on the ordinary shares of the Company for the quarter ending 30th November 1951. A special dividend of $0.50 per share has also been declared.

Both dividends will be payable on 1st December 1951 to shareholders on record as at the close of business on 15th November, 1951.

By Order of the Board.
A. EMILE BEAUVAIS, C.A.,
Secretary.

FEDERAL GRAIN LIMITED
AND
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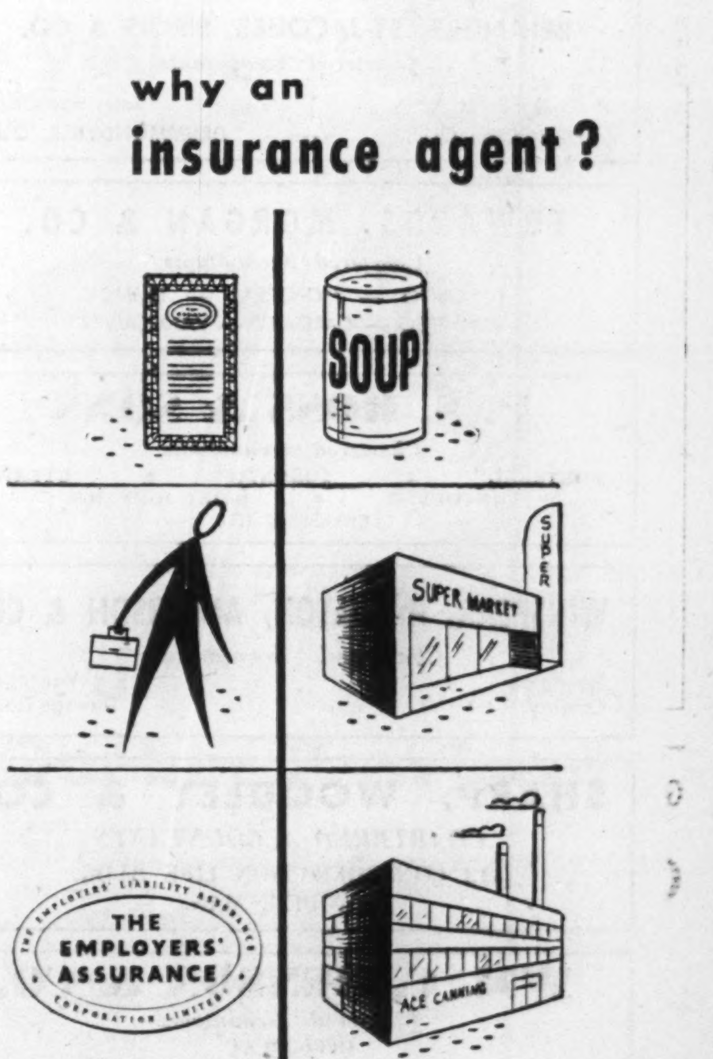

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What Changes Ahead in Our Farm Life?

The Question: There have been drastic changes in farming and farm life since the beginning of the century. What will it be like by 2000?

Important though agriculture is to the Canadian economy today, greatly though farm life and farming methods have improved since 1900, the majority of respondents to this week's Question by The Financial Post see an even brighter era ahead for Canadian agriculture in the next 50 years. Few agree with those who see world population outstripping the land's ability to feed the people.

Atomic research, other developments in chemistry, biology, engineering are all seen as likely to bring a continuing revolution to the farm with greater productivity, more intensive production, scientifically controlled. Larger farms, fewer inefficient operators are regarded by most as an inevitable outcome of present-day scientific developments. The need for greater immigration to work our farms is stressed.

ALLAN J. BARKER, Town Planning Commission, London, Ont.

Farm consolidation and mechanization in cash grain areas will diminish the vitality of rural social life and kill the farm village. In mixed farming areas the rural community will likely remain, although greater leisure time will combine with ease of motor travel and ubiquity of worship of metropolitan gods, to detract from present direct democratic participation in township government, except where an active church federation of agriculture or women's institutes provides a rallying point for local interest. But the rural outlook generally will be oriented toward towns which have community centres and a variety of shopping, recreational, and educational facilities.

* * *

W. BEAVER JONES, News Editor, Kelowna Courier, Kelowna.

Farmers will still be damning the weather; chemical companies will be successful in eradicating present orchard pests, but there will be new insects; farmers will still be complaining over poor returns and consumers will still be protesting the high price of produce. The next 50 years will probably show a marked improvement in farming and farm life. Primary producers will no longer work around the clock; atomic energy will be applied to successful farming. The primitive farmhouse will give way to modern dwellings; horse-drawn vehicles will be a thing of the past; push-button controls will operate machinery and airplanes and four-lane express highways will rush produce to markets and the "men from Mars" will probably give us a few lessons in successful farming.

* * *

W. J. BOOTH, Economics Div., Dept. of Agriculture, Ottawa.

The output per farm and per farm worker has doubled since 1900 and further notable increases will probably occur in the next 50 years. Better farm management and further advances in science and mechanization will bring this about. There will be fewer inefficiently operated farms. Production will be more intensive. Greater consideration will be given to soil management and conservation. Many large-scale irrigation and river basin projects will be in operation. The home market will be more important. Electricity and modern conveniences will be general in farm homes and the level of farm living will likely be appreciably higher.

* * *

R. C. BROWN, Managing Director, The Country Guide, Winnipeg.

Assuming that man's folly will not destroy huge sections of humanity I make these observations:

Present methods of farm production and distribution will not meet world food requirements. There must be compensation for more scientific and efficient production in proportion to the capital and labor invested. Based on a 40-hour week many farm products should now be higher in price. If consumers accord the farmer equality in this respect his social and economic status will make tremendous strides in the next 50 years.

* * *

H. T. HALLIWELL, Editor, The Gazette, MacLeod, Alta.

Owing to changes through mechanization in the last half century one hesitates to predict the changes that may be evident in 2000 A.D. One thing is certain: Mother Nature will continue to behave as she always has, therefore though there may be further improvements in mechanization, I cannot see that they will lessen the hazards that always exist for the farming industry. When today a man with a tractor can farm half a section without help, except maybe at harvest time, it is difficult to conceive that labor-saving machinery will advance to any appreciable degree as far as farming goes.

* * *

W. H. HICKS, Dominion Experimental Station, Agassiz, B.C.

Increased world population and ever-improving air and other transportation plus more mechanized farm equipment will create great changes in the period. The nation's standard of living will continue to improve; farming will move farther north, especially grain and livestock production; the importance of agriculture will be more fully realized. Research by plant and animal breeders particularly in the use of hybrids will extend from corn to many other crops resulting in higher yields, more disease- and insect-resistance. Output per unit of labor has increased; top priority must focus on soil conservation. Locally immigration is so extensive dairy cattle will be forced off pastures to outlying districts. Artificial insemination, milking parlors, dairy byproducts get ever-increasing use.

* * *

DR. E. S. HOPKINS, Director, Central Experimental Farms, Ottawa.

Eastern Canada will become much more industrialized and the small farmer will go to the city for higher wages. Their farms will be purchased by larger operators who will handle several farms more economically. These farms will require more capital, will tend to become more specialized and will utilize to an increasing extent the findings of scientific agriculture. There will be a larger percentage also of city farmers. The wheat farm on the prairies will become larger and more mechanized but will require only relatively short periods to operate. Whether wheat and summer fallow can be continued indefinitely on certain soil types is not yet known.

* * *

H. J. LASSALINE, Secretary-Manager, Chamber of Commerce, Windsor.

Changes will continue over the next 50 years to make farming one of the most attractive occupations in our economy. With growing demand for farm products following foreign aid, exports and domestic developments, farming will become more mechanized and individual farm research into productivity of soil and other phases will constitute a challenge to ingenuity and possibly eliminate marginal and "plugger" farmers. I believe, too, that each farm will be an individual industry and run along lines of modern manufacturing. The farmer will likely want to get along with less government aid. Scientific and transportation progress will give family all the conveniences of city life without its drawbacks.

* * *

W. J. McGREGOR, President, Canada and Dominion Sugar Co. Ltd., Chatham, Ont.

The future trend of productivity on southwestern Ontario farms is going to depend more and more on immigration of good agricultural people from Holland, Belgium and France, of the thrifty and industrious type we have been getting in a limited way in postwar years. Some of these new Canadians already have saved sufficient for a down payment on farms and equipment. We cannot see a successful future in this rich farming area unless such a policy is vigorously continued by the Government. There is no substitute.

* * *

L. D. NESBITT, Publicity Superintendent, Alberta Wheat Pool, Calgary.

It is quite probable that by the year 2000 scientists will have discovered the secret of photosyntheses. That is the process by which plants take carbon dioxide out of the air and transform it into cellulose, sugar and starch. Most of humanity's food is developed in such a manner.

Photosynthesis is a fundamental natural process, but is inefficient when the food needs of mankind are considered. If the efficiency of photosynthesis could be increased by half of one per cent there would be an enormous increase in food production. It might be possible to grow a crop of wheat in a month, or harvest a field of lettuce or tomatoes a week after planting.

By the year 2000 the world's population will be more evenly distributed; farms will be smaller and devoted to the production of an infinite variety of products; irrigation will be developed to the greatest possible degree; weather forecasting and rainmaking will be done on a scientific basis; and populations will spread from the great cities into smaller centres across the countrysides.

* * *

ABBE PERE M. NOBERT, Director, Institute Agricole D'Oka, La Trappe, Que.

Man faces life with a discussion of what is rather than of what should be. In doing so he takes for granted, without a moment's doubt, the most absurd conclusions and he builds a tottering structure. Then he uses his intellect as the mason does his level in an attempt to make everything straight in order to prevent an imminent catastrophe. It is always better to build solidly the first time than to begin over and over.

Family agriculture bears a special mark of equilibrium and success to a degree that has never been attained by any other system. For reasons that need not be enumerated here and that are known to everyone, man has undermined the classical structure of the rural family. Instead of co-ordinating modern needs with a view to their adaptation to the traditional formula that has proved itself efficacious, man has allowed the disintegration of the spiritual and moral values of the rural family.

There is still time to right ourselves and to use the coming 50 years to consolidate and to perfect the agricultural system that has allowed us to survive in the past. What has given us our life as a people will keep us as such. Agriculture in the year 2000 will be what we want it to be, family agriculture or state agriculture. It is up to us to make our choice.

* * *

J. J. O'NEILL, President, Royal Society of Canada, McGill University, Montreal.

If our national development expands as it should we will need all our arable land utilized to its maximum efficiency plus present wasteland developed under important new techniques, especially in our northern areas. Our population should exceed the 30 millions whom we could possibly feed from farming potential calculated now, so new methods of agriculture only suggested today may play an important role. I would expect all agricultural land to be segregated, classified and utilized in close conformity to its potential in regard to demands locally rather than of world market.

* * *

PROF. EDWARD G. PLEVA, Dept. of Geography, University of Western Ontario, London, Ont.

Doubling of the population before 2,000 will be due entirely to urban growth. We will have greater production from same acreage as now possible under the ownership and management of fewer farmers and more production. Inefficient farmers will have joined the urban labor pool. Farming, as a way of life, will undergo a great change although part-time farming will increase around cities, in mining and forestry districts and along transportation lines. Part-time farming, however, produces little or nothing off the farm; the city population and the export market demand will be met by fewer but better farmers on the same or fewer acres.

* * *

MAJOR H. G. L. STRANGE, Director, Agricultural Research Dept., Searle Grain Co., Winnipeg.

Science is advancing with such rapid strides that no one can foresee what farm life will be like 50 years hence except that there will be fewer people on farms and more people in cities. Because the increase in human population will greatly exceed production, unless an unforeseen miracle occurs, the amount of food per person will be less, and livestock and dairy products luxuries. Unless birth control is widely practiced by Asiatic people there will be a continual pressure by Asiatics to occupy farm areas in Canada, United States and Australia peaceably or by force.

* * *

HUGH TEMPLIN, Editor, News Record, Fergus, Ont.

In my boyhood days, nearly 50 years ago, a village of 1,000 people played a large part, not only on the farms but in the village, with blacksmiths, several carriage shops, harness makers, livery stables, veterinaries and hotel stables. Horses and steam provided power. No one would have believed that gasoline and electricity would change all this. Changes in the next 50 years are certain to be greater still with new sources of power and another dimension added in the air; with longer and healthier life and shorter working hours.

* * *

L. B. THOMSON, Director, PFRA, Regina.

With proper planning and development of soil and water resources of Canada farming should become a much more important part of the Canadian economy and the greatest contributor to increased population. Grain economy will improve in quantity and quality, likewise livestock products, all supplying Canada's needs and export markets. With the same attention to non-cultivated lands as given to cultivated lands the past 50 years, by conservation of water for irrigation, reclamation of flooded lands, proper measures in streambed control and water erosion, there should be greater efficiency in land use and the economic welfare of the people more secure.

* * *

Dr. T. THORVALDSON, Dept. of Chemistry, University of Saskatchewan, Saskatoon.

The mechanization of agriculture all over the world will continue along present lines rather than through new radical developments, with great sociological changes in its wake. The isolated farm home will become rare, animal husbandry will develop along large-scale mechanization. Revolutionary changes will develop through chemistry and biology, reducing risks and multiplying returns. Scientific disease and pest control will be attained by chemical means and by continued development. The untoward effects of climate, the main uncontrollable factor, will be largely overcome by plant breeding, aided by the new tool of atomic fission.

* * *

W. J. S. WALKER, Secretary, National Parks Assoc. of Canada, Calgary.

By the year 2000, higher education of children, less strenuous city life, and difficult farm help, will tend to replace the individual family farm life with large self-contained co-operatives operated by adjoining farm groups. A most enduring and profitable co-operative to the government would be one open to first offenders on their release. Debarred by his past from regular employment and a potential habitual criminal thereby, he would welcome this opportunity. At a trivial expense to another sentence he could work for his share of the proceeds.

* * *

THOMAS USHER, former president, Western Stock Growers Ass'n., Big Valley, Alta.

To envision farming and farm life in 2000 A.D. we must look to the farm youth of today, the farmers of tomorrow and the wonderful opportunity afforded them through junior clubs and home economies. From the knowledge thus gained of soil conservation, growing of grain crops, breeding and feeding of livestock will emerge the farm of the future producing increased quantities of food. With modern machinery to till the soil, with well-planned and well-equipped farm buildings, with electric power and appliances for farm and dwelling, with a home and grounds embodying beauty and comfort, farming should be interesting and profitable.

Our Changing Food Export Pattern

	1949 Total	1949 U.K.	1949 U.S.A.	1950 Total	1950 U.K.	1950 U.S.A.
	Thousand Dollars			Thousand Dollars		
TOTAL TRADE	2,992,961	704,956	1,503,459	3,118,387	469,910	2,020,988
TOTAL—AGRICULTURAL PRODUCTS	940,091	403,438	258,257	816,167	275,548	301,995
Grains	940,091	403,438	69,527	378,849	173,651	73,955
Grain Products	112,239	47,249	9,375	114,431	41,446	14,232
Oilseeds and Products	29,303	......	926	19,053	158	2,048
Animals, Living	63,652	26	62,765	82,774	6	82,082
Meats	66,510	23,398	32,274	74,276	24,401	43,979
Other Animal Products	44,001	6,861	27,859	47,567	5,579	36,337
Dairy Products	30,102	15,231	2,029	27,582	15,073	1,890
Poultry and Eggs	27,717	18,154	7,941	8,356	2,398	4,241
Fruits and Nuts	13,194	2,719	9,413	15,343	3,686	11,315
Vegetables*	3,700	445	2,365	5,086	426	3,816
Potatoes	12,419	......	9,438	8,540	......	5,972
Maple Products	4,282	......	4,282	4,149	......	4,115
Tobacco, Raw	8,617	7,347	11	10,552	8,320	....
Seeds for Sowing	18,356	889	14,883	12,615	97	11,961
Other Vegetable Products	6,569	357	5,169	6,994	307	6,052

* Excluding potatoes

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

PACIFIC COYLE NAVIGATION CO. net profit of $11,528 for the year ended June 30, 1951, was down from the previous year's $38,979. Net profit amounted to $96,214 before depreciation and income taxes, against $85,515 for the fiscal year ended June 30, 1950. Income tax was less at $5,193 against $14,185. Depreciation allowances were over twice those of 1950, as the directors decided to take full advantage of the rates which allowed 15% depreciation on the fleet.

Capital additions to the fleet amounted to $237,783. Working capital stood at $6,334 this June against $67,618 last year due to the capital additions. Investors are considering plans to correct this situation.

Prospects for the coming year look favorable with the prospects of the continued good market for B. C. lumber and log products and the expansion of these industries, states President J. D. Coyle. However, the towboat industry was hard hit this summer during the dry spell when the forest closure stopped logging operations. This seriously affected earnings for August and September.

CONSOL. INCOME ACCOUNT

Years Ended June 30:	1951	1950
Gross revenue	......	$715,084
Net earnings	$96,214	85,515
Less: Depr.	79,395	32,351
Income tax	5,193	14,185
Net profit	11,626	38,979
Less: Divds.	17,604	13,203
Surplus for year	•5,978	25,776

•Loss or deficit.

Earnings per Share and Dividend Record:		
Earned	$0.03	$0.09
Paid	0.04	0.03

CONDENSED CONS. BALANCE SHEET

As at June 30:	1951	1950
Cash	$588	$14,119
Accts., etc., rec.	155,791	132,060
Inventory	27,083	22,836
Total curr. assets	183,462	169,015
Def. charges	18,488	19,514
Fixed assets*	459,598	343,205
Goodwill	5,010	5,010
Total assets	666,558	541,744
Bank overdraft	80,174	......
Accts., tax., etc., pay.	96,954	101,397
Total curr. liabs.	177,128	101,397
Capital stock	440,104	440,104
Capital surplus	95,455	40,395
Less: Deficit	46,129	40,152
*After depr. of	656,169	615,365
Working capital	6,334	67,618

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Dominion Linseed New Plan Includes Acquiring 2 Firms

MONTREAL (Staff) — Bondholders of Dominion Linseed Oil Co. are to meet Nov. 14 to consider a reorganization plan which involves exchanging their holdings for preferred and common shares. It also involves the acquisition of McArthur, Irwin Ltd. and Hart Battery Co. by Dominion Linseed.

Under the proposal, the $750,000 4% first mortgage bond series A presently outstanding would be exchanged for 15,000 n.p.v. common shares and 15,000 prefered shares, $15 par. Basis would be 10 common shares and 10 preferred shares for each $500 principal amount of bonds.

The preferred shares are preferred as to principal on liquidation or winding up, entitled to a cumulative annual dividend of $1 per share plus the right to participate in further dividends up to 50c per share equally with the common stock, redeemable at any time at $20 per share and non-voting unless and until dividends are at least two years in arrears.

The plan also calls for cancelling interest payments due on the bonds Oct. 1, 1950, April 1, 1951, and Oct. 1, 1951 and all interest accrued since Oct. 1, 1951. Bondholders had already agreed, in November, 1950, to postpone the interest due Oct. 1, 1950, and April 1, 1950, among other things.

This proposal is part of a plan to extend the operations of Dominion Linseed through acquiring, for shares of the company, all the assets and undertakings of Hart Battery Co. and McArthur, Irwin Ltd. On completion of this plan, issued share capital will consist of 80,000 preferred shares, $15 par, and 90,000 n.p.v. common shares.

Reason for the proposal is the continued unsatisfactory operations of Dominion Linseed Oil. During the past year the company had a deficit of approximately $100,000, bringing the accumulated deficit for the past four years to more than $1 million. As at June 30 last it had bank loans of $1,475,000 and a working capital deficit of $659,000.

As compensation for the assets of Hart Battery Co., Dominion Linseed proposes to issue 50,000 preferred shares and 50,000 common shares. McArthur Irwin Ltd. will receive 15,000 preferred shares and 20,305 common shares. The outstanding bonds of McArthur Irwin in an amount of $216,000 will be assumed by Dominion Linseed Oil.

S. Irwin, president of Dominion Linseed, in a letter to the Bondholders Committee points out that the combined net earnings of McArthur Irwin and Hart Battery for the past five years have averaged $132,000 annually. With the elimination of interest charges on Dominion Linseed bonds and as a result of administrative and other financial advantages which will accrue from enlarged operations, it is believed that company's earnings, after the reorganization plan has been completed, will at least equal $132,000, he says. This is equivalent to 1.66 times the new preferred dividend requirements.

The combined net earnings of McArthur Irwin and Hart Battery for the year 1950 were equal to 2.52 times the preferred dividend requirements and indications are that the year 1951 should exceed this result. Mr. Irwin states that "it is therefore reasonable to expect that the directors of the company will place the new preferred shares upon a regular dividend basis commencing in 1952."

The Bondholders' Committee has issued a letter urging acceptance of the offer. In its opinion the proposal offers present bondholders of Dominion Linseed an opportunity to receive some income in the immediate future and a chance of ultimate recovery of their investment.

Dominion Linseed bondholders will receive 17.6% of the preferred and common share equity of the expanded company. The Bondholders' Committee states that this represents a fair proportion having in mind the earnings' record of each of the three companies and their future prospects.

YOU ASKED US

The Financial Post will provide subscribers as quickly as possible with the answers to specific questions about business, taxation, investments, and other subjects. The Post cannot undertake to make predictions, will not express opinion on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave., Toronto 2. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. If more than one enquiry is being sent, subscribers are asked to submit each on a separate sheet of paper, to facilitate research work entailed.

INVESTMENTS

Sicks Breweries

What is the outlook for Sicks Breweries Ltd. common stock? What is the position of brewing companies generally at this time?

As you probably realize, this stock is of the investment calibre with the stock moving in a very narrow range—between $18.50 to $21.50 this year to date. Since it was first issued it has moved in a range between a low of $11.75 to a high of $23. Net profit has remained fairly steady since the end of the war—$1,714,322 in 1946, $2,158,635 in 1947, $2,376,482 in 1948, $2,379,634 in 1949, and $2,253,170 in 1950. It is thought that earnings trend is continuing at somewhat the same level this year.

Common share earnings in that period have moved from $1.80 to $2.37 (in 1950). The common stock is paying annually a dividend of $1.20. Selling at $20 a share, this would work out to an annual yield of approximately 6%, which is a little better than average yield on Canadian industrial stocks.

Sales and earnings of brewing companies closely parallel the ups and downs of the business cycle. It has always been the experience that sales contract fairly sharply in any substantial decline in employment. With the fairly heavy government and corporate works programs planned over the next two or three years, it is difficult to see any sharp curtailment in employment. Some industries of course, like the textile or electrical appliances, may be temporarily affected but defense spending will be a strong bulwark against any sharp deflation.

That is about all one can say concerning outlook for the brewing industry. Sicks Breweries, of course, is a strongly established concern operating five plants with a combined capacity in excess of 400,000 bbls. per year. The company also is in the middle of a sizeable expansion program which will boost production substantially. Two new $500,000 bottling plants were completed at Regina and Edmonton in 1948. A new $1 million brewhouse and storage cellar at Prince Albert came into operation early in 1949. Equipment at the Lethbridge plant has been replaced. In 1950 building and equipping of a new storage cellar at Regina and replacement of storage tanks at Lethbridge were completed. Balance of program comprises a new brewery at Vancouver which is expected to be completed this fall or winter.

INCOME TAX

Rents Flat in House

Recently I had my home remodeled to make two rooms and kitchenette suitable for a couple to live in. They will, however, share the bathroom and shower; heating and electricity for both cooking and lighting will be paid by me. It cost one year's rental to make this change. The rooms were occupied on Sept. 1. Must I show this rental income on my income tax return? It will take at least two years before I show a profit. What proportion of the rent should be deducted for expense?

Yes. You would show this rental income on your tax return. You are entitled to deductions for expenses and depreciation on the property in the same proportion that the number of rooms rented bears to the total number of rooms in the house.

Thus, if there are seven rooms in your house, you could deduct depreciation on 3/7 of the value of the house and 3/7 of the charges for heat, electricity, water supply, etc.

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LLOYD A. MAY
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Staff Changes

Dominion:

T. B. CONNOCHIE, formerly assistant manager, Winnipeg, to be a supervisor at head office.

N. L. SMITH, to be manager, Dupont & Christie, Toronto, replacing A. J. ESSERY, assigned to special duties at head office.

R. T. SMITH, formerly a credit officer at head office, to be manager, Yonge & Hayden, Toronto, replacing H. F. COX, assigned to special duties at head office.

E. J. C. GUPPY, formerly a credit officer at Winnipeg, to be assistant manager, that branch.

D. ALEXANDER, formerly accountant, Market, Toronto, to be a credit officer at head office.

R. STANLEY, to be a credit officer, Winnipeg.

J. ANGUS, to be accountant, Kingsway, Toronto

M. A. BROWN, to be accountant, Sarnia, Ont.

M. R. GRANT, formerly accountant, Sarnia, Ont., to be accountant, Market, Toronto.

G. PETERS, to be accountant, Mount Hamilton, Hamilton, Ont.

A. H. SOTHERN, to be accountant, Winnipeg.

• • •

Commerce:

M. C. BAKER, formerly accountant, Winnipeg, to be an assistant inspector in dept. of supt. of Man. & Sask. branches, Winnipeg.

E. W. BUGGEY, formerly an assistant accountant, Winnipeg, to be accountant.

O. M. J. FAGAN, formerly of Tilbury, Ont., to be accountant, Owen Sound, Ont.

J. L. GRIFFITH, formerly an assistant accountant, Kingston, Jamaica, to be an assistant inspector, head office.

A. G. ILSLEY, formerly of Kelvington, Sask., to be accountant, Estevan, Sask.

J. M. RAINEY, formerly an assistant accountant, Adelaide & Peter, Toronto, to be accountant, Leaside, Ont.

H. A. L. TIBBETTS, formerly accountant, Estevan, Sask., to be an assistant accountant, Winnipeg.

J. G. WATSON, formerly of Yonge & College, Toronto, to be an assistant accountant, Adelaide & Peter, Toronto.

Ontario CPAs Receive Degrees

Forty-three graduates were granted Certified Public Accountants degrees at the annual dinner of the C.P.A. Association of Ontario in Toronto

They were:

D. Armstrong, Toronto, valedictorian, awarded the Gold Medal.

L. W. Paszat, Toronto, awarded the Chester Samuel Walters Medal for Accountancy.

J. K. Allison, J. B. Kee, Ottawa.
L. J. Vinette, North Bay.
R. Fox, G. W. Johnson, H. I. Licata, J. R. Michener, R. C. McDiarmid, A. G. Northcott, E. E. A. Parsons, Hamilton.
W. A. Beer, Ancaster.
M. J. Franklin, St. Catharines.
M. J. Hopkins, Smiths Falls.
G. F. Lee, Belleville.
E. T. Banghart, London.
D. C. Appleton, F. H. Barnes, E. O. Bentley, A. J. Bishop, K. A. Bloxham, J. E. Brown, E. D. C. Clare, L. Dallimore, J. D. A. Evers, F. E. Forster, G. C. Foxall, F. C. Gooderham, J. R. Hemingway, J. Hunter, K. C. A. Jary, A. R. Johnson, L. A. Matthews, A. L. McAuley, H. J. McLaughlin, D. R. Noiles, B. G. J. Pilotte, F. N. Scott, M. M. Selk, M. E. Sheppard, W. H. Tomlinson, F. J. Whittaker, all of Toronto.

The intermediate scholarship was presented to R. J. Whitten.

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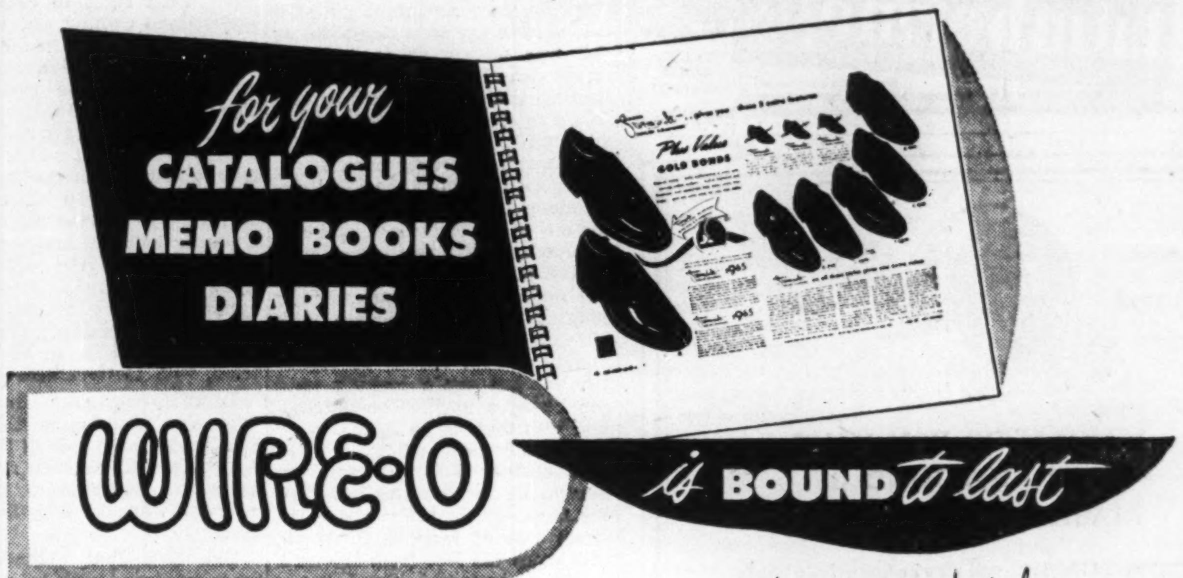

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Highway Pedestrians and Motorists Both Should Show Care Courts Urge

Need of greater co-operation between motorists and pedestrians to avoid automobile accidents is emphasized by two recent judgments in the Ontario High Court.

These judgments were in cases where pedestrians struck by automobiles, claimed damages from the motorist. In each case, the court, while finding the motorist partly responsible, also found the pedestrian at fault. The result was that damages for injuries were adjusted accordingly. Both judgments have attracted attention because they indicate quite clearly that the pedestrian has a responsibility to avoid a collision just as much as the motorist.

Boarding Street-Car

In one case an infant plaintiff was struck by an automobile as she was advancing to board a street car. The trial judge while finding that the car driver had failed to clear himself of responsibility also found the victim had not exercised proper care.

The victim stated she had looked along the street before walking out to the car tracks, and saw no automobile. The justice interpreted this as meaning that she did not see a car which, in her judgment, would interfere with her getting out to the car tracks. She then with others, proceeded out without again looking until she heard a horn. The automobile was then quite close.

Said the trial justice:

"I do not think it was unreasonable for them to have left the curb, particularly where the street was as wide as it was at that point (25 feet from sidewalk to street-car track). But I do not think they would have the right to walk out to the car-track without any further observation. I think this is different from a case of people crossing at an intersection. People crossing an intersection walk at a different pace, and can judge the traffic that might affect their actions more accurately than those just proceeding out to take a street-car. Also, motor traffic is more limited in its operations when travelling beside a street-car, as might very well be the case when a street-car is as far back as that (half block). There might very well be motor car traffic coming up alongside the street-car: inasmuch as the street-car would be slowing down and the motor traffic would catch up with it.

Rights of Motorists

"People driving motor cars have some right to expect that pedestrians coming out to board a street-car will keep some lookout and that I think should be anticipated by the pedestrians. The difficulty in so many of these pedestrian and motor car cases is that there is not sufficient co-operation between the two . . ."

The court then found that while the pedestrian did not keep a proper look-out and was therefore negligent, the driver was more negligent. His brakes also apparently were defective. After assessing the damages, negligence was divided 30% to the pedestrian, 70% to the motorist.

In the other case, the pedestrian was walking north on the left hand (west) side of the highway at night. He then started to cross the highway to the east side and was struck by the motor car.

The defendant claimed there were two cars with bright lights coming south and he did not see the pedestrian until it was too late. The court held that if he was keeping a vigilant lookout even if bright lights bothered him, he was in duty bound to reduce his speed and control his vehicle so he could see what was beyond on the highway after the cars had passed. It was not a lonely country place and a pedestrian on the road would not be unexpected.

But, the court continued, if the plaintiff looked north and south as he says he did, he should not have failed to see the approaching car.

Pedestrians' Responsibility

"A pedestrian who blindly crosses the road in the face of oncoming traffic that he ought to see, takes on himself a heavy responsibility and he must always exercise care for his own safety. That I do not think the plaintiff did take in this case, and I find he was negligent by reason of the fact that he did not keep a proper lookout for traffic that was coming from the south and was thus guilty of contributory negligence. Having regard to all the circumstances . . . including the fact that one walking across the road can stop very quickly if he sees a car coming, while it takes a car a longer time to stop, and that one walking has an opportunity of observing a car at some considerable distance, I think responsibility on the plaintiff in this case is considerably heavier than on the defendant and I assess the respective degrees of fault at two thirds against the plaintiff and one-third against the defendant."

These cases indicate clearly the responsibility of pedestrians as well as motorists to avoid an accident, and the need of adequate insurance against what might be unexpected financial loss.

Chartered Banks Can Loan Farmers On Threshed Grain

Chartered banks are authorized by the Bank Act (sec. 88) to lend money to farmers on the security of their threshed grain. (The Financial Post, Sept. 1).

Replying in Parliament recently to questions by J. G. Diefenbaker, Finance Minister Abbott said the banks are allowed to make such loans, and that there was no agreement between the government and the banks that such loans should not be made.

Bankers say that the making of such loans is purely a matter of individual credit, depending on the individual's character and record and the condition of his grain.

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U.S. Corporate Tax Rates Up

Income taxes will take a larger percentage of U.S. corporations' income this year than in 1950 but not as much as suggested earlier. This is seen with final adoption of new U.S. tax legislation.

Among the changes affecting corporations:

(1) Increase in top regular income tax rate to 52% on corporate income over $25,000 from 47% and increase to 30% (from 25%) on the first $25,000 of income, effective April 1, 1951.

(2) Reduction in the allowable base, before application of excess profits tax, to 83% of the average earnings of the best three of the four years 1946-49 from 85%. (The House version had suggested a cut to 75%), effective July 1, 1951, instead of Jan. 1, 1952, as intended under the first compromise bill.

Since it is impossible to segregate income for the half years, the agreement would make half the cutback applicable for the entire 1951 year. In other words, the credit would be cut back to 84% for all of 1951 income and to 83% for 1952 and later years.

There are 20-odd provisions to relieve hardships under the excess profits law. Most deal with new and growing business, including the television industry.

(3) New corporate tax ceiling is provided with the stipulation that for 1952 and later years no more than 18% of a firm's excess profits' income could be taken in excess profits taxes. Lower ceilings are prescribed for new companies. In effect this raises the over-all ceiling on combined regular and excess profits taxes to slightly less than 70% (from 62%) for large concerns. For smaller companies the new ceiling ranges downward to about 48% with some small new corporations having ceilings of 35% to 48%.

(4) Tax on long term capital gains by individuals and corporations is increased to 26% from 25%, effective from Jan. 1, 1952.

(5) Excise taxes are boosted in liquor, beer, wine, cigarettes, gasoline, autos and many other items. Present tax on sales of electrical energy are repealed and the tax on telegrams, photographic equipment and some other products reduced.

Ten Students Qualify For Actuarial Prizes

Ten college students in Canada attained a sufficiently high standing in this year's examinations of the Society of Actuaries to qualify for the prizes offered annually by the Canadian Life Insurance Officers Association. Nine of the ten were students at Canadian universities; one at the Royal Military College.

Prize winners and their university affiliations were:

Manitoba

WILLIAM A. FERGUSON, Transcona, Man., Part II, $100.
SIGURD A. HELGASON, Winnipeg, Part II, $100.
JAMES C. H. ANDERSON, Winnipeg, Part III, $50.
ERNEST R. VOGT, Toronto, Part III, $100.
CLAUDE J. CASTONGUAY, Quebec City, Parts II and III, $200.

Western Ontario

D'ALTON S. RUDD, London, Ont., Part III, $50.

Toronto

MALCOLM D. MacKINNON, Guelph, Ont., Part II, $100.
JOHN R. WALTER, Toronto, Part III, $100.
WILLIAM D. COSBURN, Toronto, Part III, $50.

Royal Military College

CAMERON M. CROWE, Montreal West, Part II, $100.

Gunnar Partners Nesbitt LaBine

Payments totaling $160,000 have been received by Gunnar Gold Mines since the first of the year from Ogama-Rockland, reducing to $215,000 the amount now owing. Mill equipment at Ogama-Rockland may be sold this winter, using proceeds going to further reduce this loan.

Sufficient work has been done to obtain leases on the Euclid Lake chrome claims comprising 655 acres in Manitoba and these claims have been surveyed and are in good standing until 1970. The company also has an interest with another mining company in 860 acres of chrome claims in the Bird River area. Both properties are stated to have large tonnages of lower grade chrome ore which appears to have increased importance at this time.

Gunnar has a substantial share interest in Nesbitt LaBine, having participated in early financing.

No additional work has been done on the Hislop gold property nor on the McBine Porcupine Gold Mines, but the management states that both properties are favorably located and further developments will be given consideration should conditions in gold mining improve. Drilling at Opawica gave inconclusive results but claims are in good standing for three or four years.

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See Most Banks To Show Higher Net Profit For '51

Five of the Canadian chartered banks closed their fiscal year on Oct. 31 and shareholders are wondering what the financial statements will show when they are published in the next five or six weeks.

Enquiries by The Financial Post indicate that earnings generally will be at least as good as in the previous year, possibly a little better. Gross earnings of all the banks will be up materially but expenses have also increased sharply. Majority opinion, however, is that gross earnings have increased more than expenses and accordingly net profits will be higher.

Five banks now close their fiscal years on Oct. 31: Imperial, Dominion, Montreal, Nova Scotia and Commerce.

The Imperial Bank's statement usually appears first, (last year on Nov. 17), but is followed quickly by the others, all five being issued well before the end of the month.

Four of the remaining banks close their fiscal years Nov. 30 and their statements are issued accordingly. Barclays Bank (Canada) year ends Sept. 30, but it does not publish an earnings statement and information on its experience is obtained from the remarks of the officers at the annual meeting in Montreal and from the regular monthly bank statements as at Sept. 30.

Bankers discussing the preliminary indications with The Financial Post said the figures generally would be on a higher level. Thus, latest available figures show (gross) assets at $9,378 millions, up $275 millions, with total deposits up approximately $174 millions.

But the increase in assets is largely due to an increase in loans, total bank investments being down several hundred millions. This makes a big difference, as loans are a much more important item in bank earnings than investments. While commercial loans earn 4½% up investments earn less than this, being limited on some short term issues to less than 1%.

Return on new investments however is somewhat higher than the previous year. One banker mentioned the indexes of yields on municipal bonds as evidence of this. This general strengthening of interest rates on bonds has been felt in loans to provincial governments and municipalities where earnings are up substantially, affected by both the larger volume of loans and the higher interest rate obtainable.

Latest figures available show total loans in Canada at $3,163, about $671 millions over last year. Investments meanwhile have declined $645 millions.

Meanwhile banks which sold federal bonds during the year took a loss on them, offsetting to some extent higher profits made elsewhere.

Earnings from services also will probably be higher.

Here's how earnings from the three different sources of bank revenues compare.

Sources of Revenue Chartered Banks

	% Age of Total Earnings		
	1950	1949	1948
Loan interest	44	43	44
Securities	36	37	37
Services, exch., etc.	20	20	19

But bankers emphasize that expenses also have increased substantially, particularly salaries. Interest on bank deposits has also risen due to the larger volume of savings deposits while taxes are also up due to the 20% surtax imposed in the Federal government budget last spring.

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A few air fares from Toronto to:

Boston	$31.30	New Orleans	89.50
Chicago	31.55	Ottawa	18.40
Detroit	15.25	Philadelphia	30.45
Halifax	66.45	Pittsburgh	18.85
Los Angeles	121.65	Vancouver	124.05
Miami	90.35	Washington	29.15
Montreal	25.00	Winnipeg	77.65
New York	24.25		

10% reduction on return tickets. Half-fare for wife and children travelling Mondays, Tuesdays, Wednesdays.

Low Return Fares Montreal to:

Ireland	$501.00	Scotland	$515.30
England	$542.30	Italy	$700.30
France, Holland, Belgium			$570.80

Excursion Fares Toronto and Return

Tampa	$108.00	Bermuda	$134.60
Nassau	$143.00	Havana	$156.70
Jamaica	$204.70	Mexico	$221.80

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$56.40 — 4-day New York Air Tour, leave any day. Includes return air hotel accommodation, sightseeing.
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California-Mexico, 10 days	$329.35
Mexico-Acalpulco, 12 days	$333.10

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Exchange Deal Charges Laid

MONTREAL (Staff) — Charges in connection with alleged violations of Foreign Exchange Control Board Regulations have been levelled against Colonial Airlines and its ex-president Sigmund Janas.

The latter is accused of assenting to an offense, illegally buying foreign currency, using foreign currency illegally and illegally buying securities. Colonial is accused of making false reports, committing a breach of regulations and deceiving the board between Oct. 30, 1948 and April 1, 1949.

Between these two dates, it's charged, Colonial Airlines deposited to its account in the Bank of Montreal $33,712 (Canadian) obtained from its president. It is alleged that the company falsely represented this money in reports to the board, reporting it as revenue from ticket sales converted into U. S. currency at the prevailing ½ to 1% premium and transferred to its New York office.

Janas, it is charged, had obtained this money from the New York office in 1948 as an advance, bought Canadian drafts from New York banks with it at the unofficial rate of 7%, exchanged these drafts in Canadian currency and remitted the money, less the profit he made on the exchange, to the Montreal office manager.

He is also accused of instructing that the money be declared revenue and then converted into U. S. funds and transferred to New York. It is alleged that in New York the money was used to reimburse the advance Janas received, while Janas made a profit of about $2,360 on the overall transaction.

Summons has been issued to Colonial and Janas to appear in court here Nov. 8.

U. S. Cutlery Firm Buys Pictou Plant

MONTREAL (Staff)—A U. S. firm, W. R. Case & Sons Cutlery Co. of Bradford, Penn., has purchased the Pictou Cutlery Ltd., plant at Pictou, N.S.

The Nova Scotia cutlery factory was set up after the war under the provincial industrial assistance program and employed about 35 workers. The new company, W. R. Case & Sons Cutlery Co. of Canada, formed as a subsidiary of the U. S. company, plans to gradually expand the production to a full line of cutlery, including household, hunting, professional knives as well as pocket knives, scissors, and shears.

Production of army clasp knives will begin immediately, and about mid-November the plant will start turning out civilian household cutlery. As soon as the necessary materials and equipment are available, a large quantity of pocket knives will be made for the U. S. parent firm.

Staff Changes

Nova Scotia:

A. W. FARWELL, to be manager, Havelock, N.B.

C. G. HAMILTON, to be manager, Eglinton & Bathurst, Toronto.

E. C. HACK, to be an assistant manager, Toronto.

E. G. SCOTT, to be an assistant manager, Toronto.

R. D. DUNN, to be accountant, Toronto.

T. S. BURNET, to be assistant accountant, Queen & Church, Toronto.

* * *

Commerce:

E. S. COFFIN, an assistant inspector at head office, Toronto, to be an inspector.

J. E. PITTS, an assistant accountant, Bloor & Yonge, Toronto, to be an accountant.

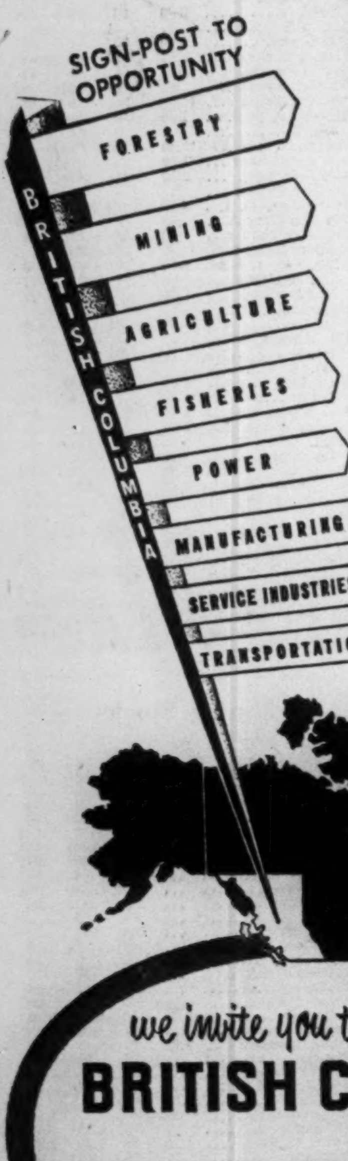
W. N. SCHAFER, formerly of St. Clair & Vaughan (Wychwood), Toronto, to be an assistant accountant, Bloor & Yonge, Toronto.

R. E. WALTERS, accountant, Bloor & Yonge, Toronto, to be an assistant inspector at head office, Toronto.

J. W. W. WILLIAMSON, an assistant manager, Edmonton, to be manager of newly opened branch, Eighth Ave. West and Fifth St., Calgary.

C. A. YORKE, an assistant manager, Moncton, N.B., to be manager, newly opened branch, St. George St., Moncton, N.B.

BRITISH COLUMBIA
CANADA



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United Lead and Montauban Ready 'Attack' on Ore Body

Excellent progress is being made by United Lead & Zinc Mines and Montauban Mines in initial preparations for joint underground work at their properties adjacent to Anacon Lead Mines. All the buildings except the guest house have been completed, electric power is scheduled to be turned on within a week, hoist is 90% installed and work on the headframe is proceeding.

The shaft which was carried down earlier to a depth of 30 ft. is to be extended shortly to a depth of 310 ft. and work is to be expedited on both properties on levels to be established 150 and 225 ft. depth. Plans call for ore to be crushed underground and it is known that the ore can be shipped to Anacon mill at very low cost.

Already the two companies have been approached to sell their output at the premium price available in the European market and the management can enter into a contract covering output when desired.

As outlined in The Financial Post (Sept. 15) United Lead & Zinc and Montauban enjoy a common ore zone in which has been indicated by diamond drilling some 700,000 tons of ore averaging 4% combined lead-zinc with additional lower values in gold and silver. As the two properties are being operated jointly, cost of reaching production is expected to be quite low in each case.

Anacon is now launching preparations for installation of its sink-float plant to accommodate ore from both properties early next year.

Dominion Engineering 5 for 1 Common Split

MONTREAL (Staff) — A five-for-one split of Dominion Engineering Works Ltd. common shares was unanimously approved by shareholders at a special meeting last week.

The sanctioned bylaw provides for splitting the presently authorized and outstanding 125,000 no par value shares into 625,000 no par value shares and creating 375,000 additional shares. It is not the company's intention to offer for sale any of the new shares at the present time, it is stated.

Expect Financing Nfld. Municipals

Negotiations are understood under way for the introduction of a constructive and interesting form of financial operation involving several Newfoundland municipalities.

These municipalities are expected to offer, in the near future, serial debentures which will be fully guaranteed by the Province of Newfoundland both as to principal and interest.

None of these municipalities has incurred any funded debt up to the present time.

The present per capita debt of Newfoundland is $11—the lowest per capita debt of any of the 10 provinces, and compares with an average per capita debt of $136 for all provinces of Canada. The present surplus of Newfoundland is approximately $14 millions, and the 1951 budget calls for a surplus of over $900,000.

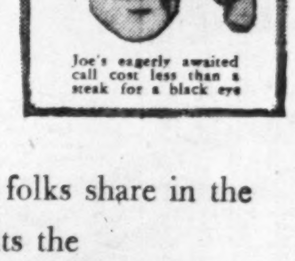
MMC $4.79 Million Bond Issue Offered

MONTREAL (Staff) — An offering of $4,796,000 in 4% serial debentures of the Montreal Metropolitan Commission is being made by a syndicate headed by Wood Gundy Corp. and McLeod, Young, Weir & Co. Prices range from par and accrued interest (yielding 4%) for the 1952 maturity to 96.50 and accrued interest (yielding 4.32%) for the 1966 maturity.

Proceeds will be used to retire temporary borrowing on capital expenditures of member municipalities.

Dated Nov. 1, 1951, the bonds are due as follows: 1952, $230,000; 1953-55, $240,000; 1956, $230,000; 1957-58, $240,000; 1959, $250,000; 1960, $230,000; 1961-63, $220,000; 1964, $230,000; 1965, $240,000; and 1966, $1,526,000. They are sold to the syndicate at a price of $96.61, meaning a net cost of 4.428% to the Commission.

Last previous Commission financing was in 1946 when it sold $3 millions of 2¾% 1957-58-59 serials at 98.275, net cost being 2.91%.



Joe's eagerly awaited call cost less than a steak for a black eye

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THE WEEK'S QUOTATIONS

Montreal and Toronto Winnipeg, Calgary and Vancouver

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING OCTOBER 26, 1951

Range 1951 High	Low	Div. R'te $	Y'ld Oct26 %	Company	Sales	Last Oct. 19	Week end. Oct. 26 H	L	Close
22¼	18	**.50	..	Abitibi	19425	18¼	18¾	17¼	17¾
25¼	24¼	1.50	5.9	Do. $1.50 pf.	2945	25¼	25¾	25¼	25¼
8¾	6	**.17½	..	Acadia Atlan	1010	6¾	6¾	6¼	6¾
105	97	5.00	5.1	Do. 5% pref.	30	100	97½	97	97½
21	18	1.20	6.5	Do. A pref.	540	18¼	18¼	18	18¼
12	9	.60	6.0	Agnew Surp.	75	10¼	10	10	10
4.50	1.50	*	...	Albt. Dist.	1600	3.20	3.25	3.05	3.05
4.25	1.80	*	...	Do. V.T.	300	3.10	3.05	3.05	3.05
61¼	28	*	...	Algoma Steel	12455	49	53	47½	49
26¼	23	1.00	4.1	Alum of Can p	1540	24¼	25	24	24¼
119¼	91	**3.55▲	..	Aluminium	6051	105	106	103¼	104

Range 1951 High	Low	Div. R'te $	Y'ld Oct26 %	Company	Sales	Last Oct. 19	Week end. Oct. 26 H	L	Close
102	95	4.00	4.2	Int. Mill., pref.	36	95	95¼	95¼	95¼
45	35¼	**▲1.30	..	Inter. Nickel	20747	42¼	43¼	40¼	42
12	7	..	..	Inter. Paints	75	9¼	9	9	9
25	23¼	1.20	5.0	Do. pref.	100	25	24	24	24
60¼	50¼	▲3.00+†2.50		Int. Paper	4086	54¼	54	51¼	52¼
23	13	**▲.70	..	Int. Pete.	6368	21¼	21¼	20	20¼
101¼	46	**1.80+stk.		Int. Power	85	69	69	67	67
29¼	21¼	▲1.20	..	Int. Util.	916	27¼	28	26	27¼
3.90	3.40	..	..	Interpro. Util.	1275	3.75	3.80	3.80	3.80
13	8	**.75	..	Jam. Pub. Ser.	100	8	10	10	10
13	11¼	.80	7.0	Jour. Pub. Ot.	320	12	11¼	11¼	11¼

Range 1951 High	Low	Div. Rate $	Yield Oct. 26 %	Company	Sales	Last Oct. 19	Week Ending Oct. 26 High	Low	Close
.35	.09	.....	....	Brewis	79,700	.24	.24	.21	.21
1.55	1.19	**.03	....	Broulan R'f	14,950	1.48	1.50	1.45	1.45
.16	.08¼	.....	....	Buffadison.	45,200	.10¼	.11¼	.09	.10
1.70	1.20	.....	....	Buffalo Ank.	3,400	1.30	1.40	1.30	1.35
.38	.15¼	.....	....	Buff. Can.	121,200	.30	.30¼	.25	.25¼
.11	.03¼	.....	....	Buff. R. L.	7,000	.06¼	.07	.05	.07
.29	.15	.....	....	Bulldog Yell.	1,500	.15	.17	.16	.16
9.10	5.50	**.75	....	Bulolo Gold	600	7.60	7.35	7.25	7.35
.15	.04	.....	....	Bunker Hill	5,800	.08	.09	.07	.07

Unlisted Stocks

(Compiled from quotations by Intercity Securities Ltd., Toronto and Kippen & Co., Montreal.)

October 29, 1951

	Bid	Ask
Algoma C. & H.B. Rly. com.	19.50	20.50
Allens Toronto units	43.50	....
Anglo-Can. Telephone A	11.50	12.25
Ash Temple Ltd.	1.50	2.50
Beauharnois L. H. & Power	26.00	28.00
B. C. Sugar	95.00	97.50
Brockville Trust & Svgs.	62.50	66.00
Canada Life Assce.	72.00	75.00
Can. Admiral Corp.	7.75	8.50
Can. Fire Insurance	23.25	....
Can. Indemnity	36.00	....
Can. Motor Lamp com.	18.00	19.50
Can. Superior Oils	15.50	16.25
Can. Tire new pfd.	18.00	19.50
Can. West. Nat. Gas com.	65.00	....
Can. West Nat. Gas pfd.	17.75	19.00
Capital Wire Cloth com.	15.00	....
Carlton Club	42.00	....
Chase, A. W. units	53.50	56.00
Colonial Steamships com.	150.00	....
Do. pfd.	65.00	75.00
Commercial Finance Corp.	28.50	31.50
Commercial Life 10% pd.	10.75	....
Continental Life Insur.	51.00	....
Cooksville A	15.00	17.00
Do. B	10.25	12.00
Cuban Can. Sugar	9.00	....
Dennisteel Corp. com.	....	3.00
Detroit Intl. Bridge	20.50	22.00
Dom. Royalties Corp.	.26	....
Dover Industries Ltd.	8.50	9.25
Dunlop Tire pfd.	23.75	24.75
Dupuis Freres pfd.	20.00	23.00
Empire Life Ins.	18.75	19.75
Essex Packers com.	.85	1.50
Do. pfd.	16.00	19.00
Fibre Prods. 2nd pfd.	.50	.90
Fidelity Trust Wpg.	9.00	11.00
Foreign Power Co. pfd.	....	20.00
Galt Brass com.	36.00	....
Goderich Elevator & Trans.	15.75	16.75
Grand & Toy com.	20.50	....
Granite Club	12.50	13.75
Gt. Britain & Can. Inv.	1.00	....
Great-West Life	580.00	610.00
Guardian Realty pfd.	51.00	55.00
Guaranty Co. of N. America	385.00	....
Hart Battery com.	11.00	13.00
Heaps Waterous com.	1.50	....
Hudson Bay Co.	18.75	19.75
Husky Oil & Ref.	9.75	10.50
Imperial Life Assce.	35.00	38.00
Industrial Mtge. & Trust	66.00	....

	Bid	Ask
Intl. Holdings com.	12.25	13.50
Lambton Golf	135.00	150.00
Lambton Loan Sarnia	84.00	....
Laprairie Co. com.	13.00	....
Do. pfd.	102.00	....
London Can. Inv. $3 pfd.	46.50	....
Do. A	30.50	....
Manufacturers Life Ins.	425.00	460.00
Maple Leaf Mill. 5% pfd.	.83	....
Medical Arts Bldg. Toronto	40.50	42.50
Mississauga Golf	15.00	20.00
Monarch Life 40% paid	146.00	....
Mountainview Apts. pfd.	34.00	....
Nat. Drug & Ch. com. new	8.00	10.00
Nat. Life 25% paid	63.00	68.00
New Brunswick Tele.	11.50	13.00
Niagara Low. Arch Bridge	54.00	58.00
Northern Tel.	1.40	1.55
Oakville Wood 6% pfd.	85.00	95.00
Office Specialty new com.	8.00	9.00
Ontario Jockey Club	2,400.00	2,700.00
Ont. & Que. Rly. 5% c. stks.	134.00	144.00
Ottawa Valley Trust	83.00	88.00
Park Lawn Cemetery	1.40	1.75
Peller Brewing com.	1.10	1.35
Do. pfd.	10.00	11.50
Provincial Bank of Canada	15.50	16.50
Prudential Trust Co.	13.00	....
Reliance Pet. pfd.	40.00	44.00
Do. A & B	16.50	20.00
Ritchie Cut Stone pfd.	10.75	....
Rosedale Golf	1.40	....
St. Andrew's Est. units	1.25	1.50
Sawyer Massey com.	2.00	....
Scarboro Golf	9.00	....
Sec. Stand. Royalties pfd.	.05	.07
Seiberling Rubber com.	11.00	14.00
Sincennes McNaughton L.	2.00	2.75
Sherbrooke Trust Co.	140.00	....
Sovereign Life 25% paid	65.00	70.00
Standard Fuel pfd. 4½%	37.00	39.00
Do. com.	4.25	....
Summit Golf	13.00	....
Sun Life Assce. Co. new	187.00	200.00
United Co-Op's Ont. pfd.	3.00	....
United Farmers Co-op.	3.00	....
United Steel pfd.	24.50	25.50
Universal Cooler 6% pfd.	85.00	95.00
Materloo Mfg.	7.25	8.25
Waterloo Trust & Savings	125.00	129.00
Wood, Alex. com.	7.00	8.00
York Downs Golf free trans.	255.00	285.00
Do. nonfree	40.00	....

Company Meetings

Date	Company	Place
Nov. 8	Asbestos Corp.	Montreal
Nov. 8	Can. Fairbanks-M.	Montreal
Nov. 14	Can. Coll.	Vancouver
Nov. 14	Selburn Oil	Winnipeg
Nov. 14	Western Grain	Winnipeg
Nov. 15	Distillers-Seag.	Montreal
Nov. 19	Consumers' Gas	Toronto
Nov. 23	Continental Oil	Calgary
Nov. 28	Maple Leaf Milling	Toronto
Dec. 3	Bank of Montreal	Montreal
Dec. 5	Bank of Nova Scotia	Halifax
Dec. 12	Dominion Bank	Toronto
Dec. 14	H. Walker, G. & W.	Walkerville, Ont.

Stock Redemptions

Company:	Rate	Date	Price
*Ind. Accept. 5% c. pf.	5%	Nov. 12	$26.50

*All outstanding.

Bond Tenders

5 p.m., Nov. 1, 1951, Town of New Waterford, N.S. — 4½%, 1-20-year debentures, $330,000. Dated Nov. 1, 1951.

7.30 p.m., Nov. 6, 1951, Town of Shelburne, N.S.—4½%, 1-20-year debentures, $50,000. Dated Nov. 1, 1951.

12 noon, Nov. 2, 1951, Government of Canada Treasury Bills — Payable Feb. 1, 1952, $75,000,000. Dated Nov. 2, 1951.

STOCKS NOT TRADED THIS WEEK

	Div. Rate $	Last sale	Oct. 26 Bid	Ask
Acme Glove	†.25	9	..	8¾
Andian Nat.	.40▲	10¾	10	10¾
Ang. Can. Tel. P.	2.25	41	..	42¼
Ashdown Hdwre. A	.60	12	12¾	14¾
Assoc. T. & T. A	..	.80	..	..
Do. pref. ▲6.00+*3.00**		141¼	..	..
Ault & Wiborg pf.	5.50	106	..	150
Auto Electric	**.37½		103	106

	Div. Rate $	Last sale	Oct. 26 Bid	Ask
Lawson & Jones A	4+**stk.	20¼	20¼	21
Do. B	..	12	11	12
Legare pref.	**2.00	19	..	20
Lindsay, C. W. pf.	**4.00	110	100	..
Loew's Theatres	4.00	75	80	..

Oil Stocks

Range 1951 High	Low	Div. Rate $	Yield Oct. 26 %	Company Sales		Last Oct. 19	Week Ending Oct. 26 High	Low	Close
.40	.18¼	.....	....	Trend Pet.	403,650	.52	.54	.44	.49
1.00	.45	.....	....	Turner V.	805	.36	.36	.30	.36
.62	.25	.....	....	United Oils	23,845	.85	.88	.75	.85
1.35	.25	.....	....	Vanalta.	16,300	.58	.56	.50	.55
.23½	.07½	.....	....	Vulcan.	34,800	.80	.85	.70	.75
1.79	.12	.....	....	Warner.	51,700	.15	.15	.12	.15
.64	.25	.....	....	W H'Stead	257,740	1.45	1.60	1.30	1.45
		.....	....	York Oils.	40,200	.55	.54	.48	

* U. S. Funds
† Paid in 1950.
x Extra.
■ Initial.
§ sh. of Montauban Mines for every 10 shs. held.
** Paid or payable in 1951.

Mining Stocks

Week Ended Oct. 26

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
Oct. 29	400,700	2,256,000	235,000	182,870	2,180,000
Oct. 27	215,200	1,416,000	123,413	100,244	1,440,000
Oct. 26	434,500	2,866,000	375,339	328,672	2,150,000
Oct. 25	412,000	2,703,000	311,296	328,672	1,770,000
Oct. 24	550,000	3,063,000	389,712	223,089	2,120,000
Oct. 23	469,700	[illegible]	[illegible]	[illegible]	[illegible]

Mining Stocks

Government Bonds

Oct. 30, 1951

(Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask
Victory Loans:			
3	Mar. 1954 ...	101	101½
3	Nov. 1956 ...	100¼	100⅝
3	May 1957 ...	99½	99⅞
3	Jan. 1959 ...	99¼	99¾
3	June 1960 ...	98⅞	99¼
3	Feb. 1962 ...	97⅜	98
3	Oct. 1963 ...	97⅛	97⅝
3	Sept. 1966 ...	96⅞	97¼
Dom. of Can. Bonds:			
3	June 1958 ...	99	99½
3¼	June 1966 ...	99⅞	100¼
3	Perpetual ...	†92	92⅞
2¾	June 1968 ...	93⅞	94½
3¼	Feb. 1952 ser. C	101⅛	101⅜
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955 ..	■110⅞	112⅞
Grand Trunk Pacific Rly.:			
3	Jan. 1962 ..	■103⅞	104⅞
4	Jan. 1962 ..	■112⅞	114¼
Dom. Guaranteed Bonds			
Can. Nat. Railways:			
3	Jan. 1959 ...	98	98⅞
4½	Feb. 1956 ..	■111⅞	113¼
4½	July 1957 ..	■113¼	114⅞
5	Feb. 1954 ...	103¼	104
4½	June 1955 ..	■111½	113⅛
2¾	Jan. 1967 ...	93	94
2¾	Sept. 1969 ...	93⅞	94½
3	Jan. 1966 ...	96¼	97½

%	Due	Bid	Ask
Prov. Govt. Bonds			
Alberta:			
2¾	Dec. 1953/57.	96	97
British Columbia:			
4½	Jan. 1969 ..	♦116½	119¾
5	Sept. 1953	102¼	103¼
3	Dec. 1960 ...	95¼	96¼
3	June 1964 ...	93	94
5	Sept. 1959 ..	♦115¼	118¼
B. C. Power Comm.:			
3	Oct. 1957 ...	90	92
Manitoba:			
4	Dec. 1957 ..	♦109¼	111¼
5	Dec. 1959 ..	■115¼	118¾
5¼	July 1958 ...	108	110
3	Oct. 1965 ...	92	93¼
4½	Dec. 1956 ..	♦111	112¾
New Brunswick:			
4½	Apr. 1961 ..	♦107¼	110¼
2¾	June 1966 ...	81¼	82¼
3¼	May 1957 ...	93⅞	94⅞
3½	Sept. 1965 ...	88	89½
Nova Scotia:			
4½	Nov. 1960 ..	♦111¼	114¼
5	Mar. 1960 ..	♦115	118¾
3¼	June 1963/65.	94	95
3	June 1956/58.	95½	96½
2¾	June 1964/68.	86	88

%	Due	Bid	Ask
Ontario:			
2¾	Nov. 1965/69.	88½	90
3¼	May 1952/55.	99½	100½
4	June 1962 ..	■111¼	114
4½	Jan. 1962 ..	♦115¼	118¾
2¾	July 1967/76.	85¼	87¼
3	Nov. 1963/65.	93⅞	94½
5	May 1959 ..	■116¾	119
Ont. Hydro Commission:			
4	Aug. 1957 ..	■108⅞	111
2¾	Oct. 1965/68.	88½	89½
3	Dec. 1963/65.	93¼	94¼
3	Nov. 1967/69.	91	92
Prince Edward Island:			
3¼	Dec. 1961 ...	94¾	95¾
Quebec:			
3¼	Mar. 1954/59.	99½	100½
3¾	Feb. 1952/55.	100	101
4½	Aug. 1958 ...	103¼	104½
4½	Jan. 1963 ...	107	108
3	Sept. 1962/64.	94½	95½
Quebec Hydro Commission:			
3	Feb. 1969/73.	90½	91½
3	Dec. 1958/60.	96	97
Saskatchewan:			
4	Nov. 1955/60.	99½	101
5	Aug. 1958 ...	105½	107½
4½	Mar. 1960 ..	■108½	111¼
5½	Oct. 1952 ...	101	102
6	Mar. 1952 ...	100½	101½
5	Dec. 1959 ..	♦111¼	114½
3	Mar. 1963 ...	92	93
3¼	Nov. 1960/62.	94	95½
3¾	Oct. 1962/65.	99	100

†Callable on or after Sept. 15, 1965. ♦Payable Can. or N.Y. ■Payable Can., N.Y. or £.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 11	Pulp and paper 10	Mill-ing 4	Oils 5	Textiles and cloth-ing 10	Food and allied prod. 14	Bever-ages 10	Bldg. mater. 16	Power and trac-tion 11	Banks 8	Total utili-ties 15	Total co's 105
*1935 to date:												
High	474.1	613.5	149.7	166.1	410.5	138.5	474.9	312.5	150.3	160.9	176.6	186.2
Low	69.7	51.6	61.2	41.2	78.4	79.5	79.3	66.7	60.2	60.0	65.2	61.1
1951: Monthly Figures:												
Jan.	401.9	481.6	104.7	110.1	359.3	125.6	442.4	244.8	235.8	155.6	148.6	153.8
Feb.	422.2	531.6	110.5	126.9	399.6	127.8	463.4	259.7	146.0	158.5	163.2	166.5
Mar.	411.1	513.3	107.1	133.6	383.0	124.4	441.2	251.6	142.4	150.0	158.9	162.9
Apr.	415.8	568.3	106.1	138.2	369.0	123.4	445.4	260.9	143.9	144.1	159.7	165.6
May	406.4	579.2	104.7	138.9	363.0	121.0	436.3	264.2	139.8	141.7	156.0	164.2
June	396.4	562.2	104.1	134.1	359.8	117.9	425.6	257.6	136.0	141.1	153.0	160.7
July	405.0	568.1	111.3	135.1	355.5	115.2	421.8	264.6	137.7	140.0	155.4	162.0
Aug.	419.2	588.5	117.7	145.8	366.6	118.4	419.9	277.8	142.1	137.2	162.6	169.7
1951: Weekly Figures												
Sept. 6...	433.9	612.5	123.2	158.6	378.7	117.7	427.1	310.2	143.9	139.3	171.2	178.9
Sept. 13 ..	448.2	613.5	125.3	156.2	374.1	119.6	446.4	312.5	146.8	141.2	172.5	180.0
Sept. 20 ..	451.2	610.5	124.0	155.9	370.7	121.6	438.4	309.2	149.6	140.6	173.0	180.2
Sept. 27 ..	448.4	602.5	123.6	155.7	362.8	119.9	434.1	303.4	150.0	139.9	172.4	179.9
Oct. 4 ..	474.1	596.7	107.0	166.1	352.9	119.5	445.0	312.5	149.5	141.6	176.6	186.2
Oct. 11 ..	471.8	596.0	123.2	166.0	352.6	114.6	458.2	310.8	150.3	143.8	174.7	185.6
Oct. 18 ..	456.8	600.6	119.7	163.3	340.2	114.3	443.5	303.2	149.4	140.9	174.3	183.0
Oct. 25 ..	447.2	588.7	123.4	155.2	336.0	108.2	436.9	296.9	147.3	139.6	170.4	178.1

*High and low for year from 1935 to date inclusive are based on weekly figures issued by the Dominion Bureau of Statistics.

■The above indexes have been revised commencing Jan. 4, 1951.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	15 B.M.	15 W.O.
Oct. 29	345.12	84.19	192.64	119.77
Oct. 27	345.34	83.98	191.83	118.73
Oct. 26	347.09	84.05	193.35	120.50
Oct. 25	349.79	84.79	194.63	121.16
Oct. 24	350.93	84.88	194.77	121.89
Oct. 23	349.44	83.62	193.31	118.98
Month Ago ..	357.96	87.63	198.24	120.34
Year Ago ...	280.84	82.04	153.25	84.43
1951 High ...	360.88	94.81	199.65	125.76
1951 Low	290.69	74.44	163.37	81.24

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Com.	10 Pprs.	15 Golds
Oct. 29 ...	86.1	226.0	179.3	801.62	67.90
Oct. 27 ...	86.6	228.1	180.9	802.61	68.99
Oct. 26 ...	86.8	230.6	182.7	812.33	68.85
Oct. 25 ...	86.9	233.0	184.3	815.84	68.65
Oct. 24 ...	86.9	233.0	184.3	817.64	68.45
Oct. 23 ...	86.8	231.5	183.2	816.15	67.81
Month Ago	88.4	243.5	191.8	859.02	67.30
Year Ago .	83.0	180.5	148.0	602.27	60.60
1951 High .	90.6	249.6	196.0	889.49	74.33
1951 Low ..	84.2	192.5	156.5	647.11	55.77

Dow-Jones Closing Stock Averages

	20 Indus.	20 Rails	15 Util.	65 Stocks
Oct. 29	260.43	79.93	45.16	94.26
Oct. 27	258.53	78.93	45.13	93.55
Oct. 26	262.27	80.83	45.49	95.04
Oct. 25	264.17	81.72	45.61	95.75
Oct. 24	264.95	82.58	45.69	96.21

	20 Indus.	20 Rails	15 Util.	65 Stocks
Oct. 23	263.50	82.04	45.52	95.69
Month Ago ..	270.77	85.72	45.19	98.20
Year Ago ...	230.62	69.76	40.93	83.50
1951 High ...	276.37	90.08	46.50	100.04
1951 Low	238.99	72.39	41.47	86.92

Dividends Declared

	This pay-ment $	Date payable	Date of record
Acme Gas	.01	Nov. 30	Oct. 30
Agnew-Surpass	.15	Dec. 3	Oct. 31
Aluminium	†1.00	Dec. 5	Nov. 16
Aluminum pf.	.25	Dec. 1	Nov. 7
Andian Nat.	†.20	Dec. 1	Nov. 22
Argus Corp.	.15	Dec. 1	Oct. 31
Do. pfd.	1.12½	Dec. 1	Oct. 31
Bk. Can. Nat. .20+‡.20		Dec. 1	Nov. 15
Bank of Montreal .	.25	Dec. 1	Oct. 31
Bank of N. S.	‡.20	Jan. 2	Nov. 30
Bank of Toronto ..	.35	Dec. 1	Nov. 15
Barymin M.	.05	Dec. 15	Nov. 15
Bathurst Pwr. A ..	.75	Dec. 1	Nov. 1
Do. B	.25	Dec. 1	Nov. 1
Brant. Cord. A ...	.25	Dec. 1	Nov. 5
Brazilian Tract. ...	1.00	Dec. 15	Nov. 9
B. A. Oil	.12½	Jan. 2	Nov. 26
Broulan Reef	.03	Nov. 15	Oct. 19
Brown & Co. 1st pf.	†1.25	Dec. 1	Nov. 20
Do. 2nd pfd.	†.75	Dec. 1	Nov. 20
Bulolo Gold	.50	Nov. 30	Nov. 13
Butterfly Hose.	.25	Dec. 14	Nov. 15
Can. Cement	2.00	Nov. 30	Oct. 30
Do. pfd.	.32½	Dec. 20	Nov. 20
Can. & Dom. Sugar	.25	Dec. 1	Nov. 10
Can. Foils	.10	Nov. 15	Oct. 31
Do. A	.15	Nov. 15	Oct. 31
Can. & Foreign Secs.	.26	Dec. 29	Dec. 15
Can. Safeway 4½% pref.	1.12½	Dec. 1	Nov. 15
Do. 5% pref.	1.25	Dec. 1	Nov. 15
Can. Vinegars . .20+‡.20		Dec. 1	Nov. 15
Can. Bakeries	.25	Nov. 2	Oct. 19
Can. Car & Fdry ..	.20	Nov. 22	Oct. 30
Do. A	.25	Nov. 22	Oct. 30
Can. Dredge	.85	Dec. 14	Nov. 14
Can. Fairbanks M. .	.75	Dec. 1	Nov. 15
Can. Motor Lamp .	.25	Dec. 15	Nov. 24
Can. Oil	.25	Nov. 15	Oct. 15
Can. Utilities pfd. ..	1.25	Nov. 15	Oct. 26
Capital Estates	†.40	Nov. 15	Oct. 31
Cent. N. Air. A .25+.25*		Nov. 15	Nov. 1
Cochrane-Dunlop ..	.20	Nov. 15	Oct. 31
Do. pfd.	.30	Nov. 15	Oct. 31
Confederation Life .	3.75	Dec. 15	Dec. 10
Consol. Theatres A	.12	Dec. 1	Nov. 2
Do. B	.10	Dec. 1	Nov. 2
Consumers Glass ..	.37½	Nov. 30	Oct. 30
Cooksville A	.15	Dec. 1	Nov. 15
Corby Dist. A & B	.50	Dec. 1	Nov. 2
Cosmos Imperial ..	.30	Nov. 15	Oct. 31
Crow's Nest P. Coal	2.00	Dec. 3	Nov. 8
Crown Cork & Seal	.50	Nov. 15	Oct. 15
Dom. & Anglo I. pf.	1.25	Dec. 1	Nov. 15
Dom. Bridge	.40	Nov. 3	Oct. 31
Dom. Engineering .	1.50	Nov. 8	Oct. 31
Dom Scottish pf. ..	.62½	Dec. 1	Nov. 21
Dom. Stores	.12½	Dec. 15	Nov. 19
Dom. Tar & Chem.	.37½	Feb. 1	Jan. 2
Do. pfd.	.25	Jan. 2	Dec. 1
Dupuis Freres pf. ..	.30	Nov. 15	Oct. 31
Empire Brass pref.	27½	Jan. 15	Dec. 31
Fisher & Burpe A .	.40	Nov. 1	Oct. 24
Do. B	.50	Nov. 1	Oct. 26
Ford Motor A & B	.50	Dec. 3	Nov. 5
Gair Co. of Can. pf.	1.00	Dec. 1	Nov. 14
Gen. Steel Wares ...	.25	Nov. 15	Oct. 18
Grafton & Co. A ..	.25	Dec. 15	Nov. 26
Gt. Lakes Pap. .40+‡.50		Dec. 31	Dec. 12
Do. pfd.	.62½	Dec. 31	Dec. 12
Gt. West Coal A ..	.12½	Nov. 15	Oct. 31
Do. B	.12½	Nov. 15	Oct. 31
Gurney Prod. pf. ..	.40	Nov. 1	Nov. 15
Ham Cotton	.35	Dec. 1	Nov. 9
Do. pref.	1.25	Feb. 25	Feb. 5
Ham Cot. pfd.	1.25	Nov. 15	Nov. 5
Hart Battery ... .15+‡.40		Dec. 27	Dec. 6
Hayes Steel	1.50	Nov. 12	Nov. 5
Home Oil	.25	Dec. 15	Nov. 15
F. W. Horner A ...	.12½	Jan. 2	Nov. 30
Hudson Bay M. & S.	1.00+‡1.00	Dec. 17	Nov. 16
Imp. Bank	‡.20	Dec. 1	Oct. 31
Imp. Oil	.35	Dec. 31	Nov. 1
Imp. Tobac.	.02½	Dec. 31	Nov. 14
Int. Utilities	†.30	Dec. 1	Nov. 9
Interior Brew. A ..	.12	Dec. 15	Nov. 15
Investors Mut.	.08	Nov. 15	Oct. 31
Italo-Argentine ..	4.00 p.	Oct. 30	Coup. 68
Lake of Woods	.40	Dec. 1	Nov. 1
Do. pfd.	1.75	Dec. 1	Nov. 1
Alf. Lambert A ...	.15	Dec. 31	Dec. 20
Laura Secord	.20	Dec. 1	Nov. 1
Leitch Gold Mines	.02	Nov. 15	Oct. 31
Loblaw Groc. A&B	.25+‡.12½	Dec. 1	Nov. 6
Loblaw Inc.	†.25	Dec. 1	Nov. 3
Macassa Mines	.03	Dec. 15	Nov. 15
Maple Leaf Gard. .	.50	Jan. 15	Jan. 2
Massey-Harris . .15+‡.25		Dec. 15	Nov. 16
L. McBrine pfd. ...	.50	Jan. 1	Dec. 12
McColl-Front.	.75	Dec. 1	Nov. 1
McIntyre Porc. M. .	.50½	Dec. 1	Nov. 1
Do.	‡1.00½	Jan. 2	Nov. 1
Robt. Mitchell	.50	Dec. 15	Nov. 15
Nat. Drug	.12½	Dec. 1	Nov. 9
Do. pfd.	.15	Dec. 1	Nov. 9
Nat. Hosiery A ...	.15	Jan. 1/52	Dec. 2
New Calumet M. ..	.07½	Nov. 23	Nov. 14
Ogilvie Flour pfd. ..	1.75	Dec. 1	Oct. 29
Ont. Steel Prod. ...	1.00	Nov. 15	Oct. 15
Do. pfd.	1.75	Nov. 15	Oct. 15
Pato Cons. G. ... .10+‡.05		Nov. 23	Nov. 5
Penmans Ltd.	.75	Nov. 15	Oct. 19
Pressed Metals	†.25	Dec. 1	Nov. 10
Que. Pwr.	.25	Nov. 24	Oct. 15
Regent Knit. pfd. ...	.40	Dec. 1	Nov. 15
Renold-Cov. A .28+‡.05		Jan. 1	Dec. 15
Rolland Pap. .. .15+‡.25		Dec. 1	Nov. 15
Do. pfd.	1.06¼	Dec. 15	Nov. 30
Royal Bank	.25	Dec. 1	Oct. 31
Royal Oak Dairy A	.15	Nov. 15	Oct. 31
Royalite Oil	.06¼	Dec. 1	Nov. 16
Saguenay Pwr. pf. ..	1.06	Jan. 1	Dec. 7
St. Lawr. Corp.	*.50	Jan. 15	Jan. 2
San Antonio G. M.	.07	Nov. 5	Oct. 5
Scythes & Co.	.25	Dec. 1	Nov. 15
Do. pfd.	.31¼	Dec. 1	Nov. 15
Shaw. W. & P.	.30	Nov. 24	Oct. 15
Do. A 4% pf.	.50	Jan. 2	Dec. 2
Do. B 4½% pf.	.56¼	Jan. 2	Dec. 2
Simpsons Ltd. pfd.	1.12½	Dec. 15	Nov. 15
So. Can. Pwr.	.40	Nov. 15	Oct. 19
Stowell Screw A ..	.75	Dec. 1	Nov. 1
Sylvanite G. M. ...	.04	Jan. 2	Nov. 5
United Corp. A....	.37	Nov. 15	Oct. 15
Do. B	.35	Nov. 30	Oct. 31
Upper Can. M.	.02½	Nov. 30	Oct. 31
Victoria & Grey Tr.	.20	Dec. 15	Nov. 30
Waterous Ltd. A ..	.20	Nov. 15	Oct. 31
West. Can. Brew. .	.25	Dec. 1	Oct. 31

*On arrears. †U.S. funds. ‡Extra. §Special.

Record of Financing

Sales by Municipalities, Provincial and Dominion Government. Offerings of Corporation and Foreign Securities.

DOMINION

Government of Canada—2% debentures, due Nov. 1, 1953, $200,000,000. Issued Oct. 1, 1951. Sold at $99.15 to Canadian chartered banks and Bank of Canada.

MUNICIPAL

City of Toronto—3¾% serial debentures, due Nov. 1, 1952-81, $5,568,000. Dated Nov. 1, 1951. The 1952-56 maturities have been sold, the 1957-61 maturities are being offered to yield 3.65%, the 1962-71 maturities are being offered to yield 3.75%, and the 1972-81 maturities are being offered to yield 3.78% by a syndicate headed by Wood, Gundy & Co. Ltd., Dominion Securities Corp. Ltd. and including A. E. Ames & Co. Ltd., Royal Securities Corp. Ltd., R. A. Daly Co. Ltd., The Royal Bank of Canada, The Canadian Bank of Commerce, The Dominion Bank, The Bank of Toronto, The Imperial Bank of Canada.

Montreal Metropolitan Commission—4% serial debentures, to mature Nov. 1, 1952-66, $4,796,000. Dated Nov. 1, 1951. Sold at $96.61 to a syndicate headed by Wood, Gundy & Co. Ltd. and including a number of investment dealers and banks.

County of Carleton — 4¼% debentures, due Nov. 1, 1952-71, $460,000. Issued Oct. 23, 1951. Sold at $100.041 to John Graham & Co. Ltd., Ottawa, J. L. Graham & Co. Ltd., Toronto and Bank of Toronto.

Town of New Glasgow, N.S.—4% and 4¼% debentures, due Sept. 1, 1952-56-67, $385,000. Issued Sept. 12, 1951. Sold at $96.20 to Dominion Securities Corp. Ltd.

Prot. School Commission of Baie d'Urfe-Senneville, Que. — 4% debentures, due Sept. 1, 1952-81, $700,000. Issued Sept. 12, 1951. Sold privately at $92.24.

Town of Black Lake, Que.—4% debentures, due May 1, 1952-71, $50,000. Issued Sept. 12, 1951. Sold privately at $98.

School Commission of Girouard, Que.—4% debentures, due June 1, 1952-66, $10,500. Issued Sept. 12, 1951. Sold privately at $97.05.

Canterbury Regional High School, N.B.—4½% and 4¾% debentures, due Oct. 1, 1952-61-66, $140,000. Issued Oct. 1, 1951. Sold at $95.12 to Dominion Securities Corp. Ltd., A. E. Ames & Co. Ltd., Wood, Gundy & Co. Ltd., Eastern Securities Ltd. and Winslow & Winslow Ltd.

Keswick Valley Consolidated School District, N.S.—4½ and 4¾% debentures, due Nov. 1, 1952-61-66, $100,000. Issued Oct. 1, 1951. Sold at $95.08 to Dominion Securities Corp. Ltd., A. E. Ames & Co. Ltd., Wood, Gundy & Co. Ltd., Eastern Securities Ltd. and Winslow & Winslow Ltd.

Town of Trenton, N.S. — 4¼% debentures, due Oct. 1, 1952-63, $53,000. Issued Oct. 4, 1951. Sold at $98.53 to J. C. Mackintosh & Co. Ltd. and Royal Bank of Canada.

Town of Dartmouth, N.S. — 4% debentures, due Oct. 1, 1952-61, $60,000. Issued Oct. 10, 1951. Sold at $99.0802 to Dominion Securities Corp. Ltd.

Town of Dryden, Ont.—5% debentures, due Dec. 1, 1952-61, $30,000. Issued Oct. 10, 1951. Bought privately by Bell, Gouinlock & Co. Ltd.

Town of Dresden, Ont.—4½ and 4¾% debentures, due 1952-61-71, $470,000. Issued Oct. 13, 1951. Sold at $100 to J. L. Graham & Co. Ltd. and Anderson & Co.

Catholic School Commission of Rosemere, Que.—4% debentures, due July 1, 1952-71, $140,000. Issued Oct. 15, 1951. Sold at $94.776 to L. G. Beaubien & Co. Ltd.

City of Hull, Que.—4% debentures, due Nov. 1, 1952-65, $689,000. Issued Oct. 16, 1951. Sold at $91.06 to McLeod, Young, Weir & Co. Ltd., Bell, Gouinlock & Co. Ltd., Banque Canadienne Nationale, McNeil, Mantha Inc. and Casgrain & Co. Ltd.

Parish of St. Donat, Que. — 4% debentures, due July 1, 1952-66, $58,000. Issued Oct. 18, 1951. Sold at $90.19 to Credit Interprovincial Ltd.

Town of Sydney, N.S.—4½% debentures, due Nov. 1, 1952-71, $200,000. Issued Oct. 18, 1951. Sold at $98.29 to Dominion Securities Corp. Ltd., Royal Securities Corp. Ltd. and Royal Bank of Canada.

County of Elgin, Ont.—3¾ and 4% debentures, due Dec. 1, 1952-61-71, $800,000. Issued Oct. 22, 1951. Sold at $98.25 to Dawson, Hannaford Ltd. and Cayley & Co. Ltd.

City of Hamilton, Ont.—3⅜% and 3½% debentures, due 1954-81, $5,430,000. Issued Oct. 23, 1951. Sold privately to a syndicate headed by Dominion Securities Corp. Ltd., First Boston Corp. and including A. E. Ames & Co. Ltd.

School Commission of Riviere Croche, Que.—4% debentures, due Aug. 1, 1952-71, $80,000. Issued Oct. 23, 1951. Sold privately at $92.50.

Fort William Roman Catholic Separate School Board—5¾% debentures, due Oct. 1, 1952-71, $128,000. Issued Oct. 24, 1951. Bought privately by Harris, Mackeen, Goss & Co., Watt & Watt, Anderson & Co. Ltd.

Niagara Falls Separate School Board—4¾% debentures, due Oct. 15, 1952-71, $215,000. Issued Oct. 24, 1951. Bought privately by Anderson & Co. Ltd.

St. Catharines Separate School Board—4½% debentures, due Aug. 15, 1952-71, $315,000. Issued Oct. 24, 1951. Bought privately by Anderson & Co. Ltd. and Canadian Bank of Commerce.

Township of Innisfil—4½% debentures, due Sept. 1, 1952-71, $55,000. Issued Oct. 24, 1951. Bought privately by Anderson & Co. Ltd.

Town of Ridgetown — 4½% debentures, due Nov. 1, 1952-71, $28,000. Issued Oct. 24, 1951. Bought privately by Anderson & Co. Ltd. and The Canadian Bank of Commerce.

Township of East Flamboro—4½% debentures, due Sept. 1, 1952-71, $230,000. Issued Oct. 24, 1951. Bought privately by Anderson & Co. Ltd. and Royal Bank of Canada.

CORPORATE

The General Tire and Rubber Company of Canada Ltd.—5% sinking fund debentures, to mature Nov. 1, 1969, $2,000,000. Dated Nov. 1, 1951. Offered at $100 and accrued interest to yield 5% by a syndicate head by McLeod, Young, Weir & Co. Ltd. and including Gairdner & Co. Ltd., A. E. Osler & Co.

Market Comment

What stocks and bonds are doing and what prominent observers say

Impact of lower earnings statements continue to depress markets in the U. S. and to a lesser extent here. Of 85 U. S. corporations reporting nine months earnings, 34 report increases, 51 declines over same period last year. Refining oils turned in best performance, steels, motors, chemicals and breweries the poorest.

Now, many are asking: Is this the end of the postwar market honeymoon? Although individual issues may work considerably higher from here, has the phase of general market advance not now ended? Higher taxes took their biggest toll on third quarter earnings; where sales were also down, results were disturbingly lower. But in hardly a single case were earnings off sufficiently to threaten current dividend rates. Besides, rarely has the market discounted abnormal earnings of the past couple of years.

The adverse earnings trend, however, has definitely put a dent in the bull psychology. It may take some weeks, or months, to fully restore former market confidence. In the meantime, Canadian markets continue to show greater firmness and heavy selling waves in New York only serve to dry up offerings of stock here. Accent is still on buying, not selling, brokerage officials claim.

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R. C. CARLILE; Carlile & McCarthy (Calgary)

Our oil stock prices move up or down with New York. Sometimes outstanding news brings heavy independent buying, for example, Western Homestead and North Canadian surged ahead on their Viking Discovery with 20 porous feet near Armena. It looks very important with chances in the D2 and D3 also. Imperial will develop Central Leduc and Del Rio's checkerboarding acreage there.

For a while the old boom spirit entered this Calgary market when buyers came in for the lowest priced stocks with low value; they doubled and then sank back. Fortunately this oil market has few of the old empty boom features: it stands on a solid base: by August we had sold $430 millions of oil.

Anglo Canadian had a well merited rise to $8. It should be bought on any recession.

Okalta is a solid producer that increases its production continually. Pacific Pete fluctuates with the chances of a gas line to Vancouver. Companies with large acreage or royalties in Saskatchewan have benefited marketwise by additional discoveries in North Dakota in the Williston Basin. Great interest from Eastern Canada is shown in gas properties. Calgary has had gas so long that oil producers and oil prospects are preferred on this Exchange.

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FRANK S. LESLIE; Frank S. Leslie & Co. (Toronto)

Predicting the longterm trend of common stocks seems comparatively simple. The purchasing power of the dollar will probably continue to drop to half every 10 to 15 years, but this depreciation could become accelerated. In the case of one of the world's leading nations, France, e.g., the value of the franc has dropped to 1% of its value of 27 years ago. There has been no collapse in France, and the people there will tell you that there has been no repudiation. Whether it be the franc or the pound or the dollar, the symbol is only paper. In an inflation of world proportions, the dollar of the United States and Canada cannot remain insulated.

With the vast social legislation, trade union demands for less production but higher pay, and the resultant high taxes (Canada's taxes have increased six fold in the past 12 years) there seems no alternative but to prepare for permanent inflation.

Should a recession set in in business and with the resulting unemployment, governments may be counted upon to force further inflation. This will be necessary in order to obtain the vast amount of paper dollars in taxation now required. Government sponsored inflation will probably mean the increasing of the price of gold in Washington, perhaps to $70 or $105 per ounce. During this process, which is now moving at a good pace, labor will continue to be protected, capital may hedge in selected real estate, and sound common stocks with natural resources behind them, such as Standard Oil of New Jersey, and numerous others: but the citizen dependent upon fixed income other than government pensions (which will continue to be increased) will be badly hurt.

Forecasting the above is very simple, but forecasting the temporary interruptions to the long term trend and the resultant declines in the stock market is another matter.

If we are to continue to operate under free enterprise, compensation for high taxes must be obtained by higher prices for goods, and to the extent of still leaving a profit after taxes sufficient rate of return to continue to attract capital to go into business.

In this process there may be a lag now and then, and it is possible that such a lag may occur during the next few months resulting in lower prices in the stock market, and this may occur despite the fact that common stocks are at present yielding nearly twice the return of highest grade bonds.

In our opinion, permanent investments in long term inflation hedge stocks need not be disturbed at this time, but we believe that traders may now find it profitable to sell on strong spots during the next two months with the intention of re-entering the market at lower levels some months from now.

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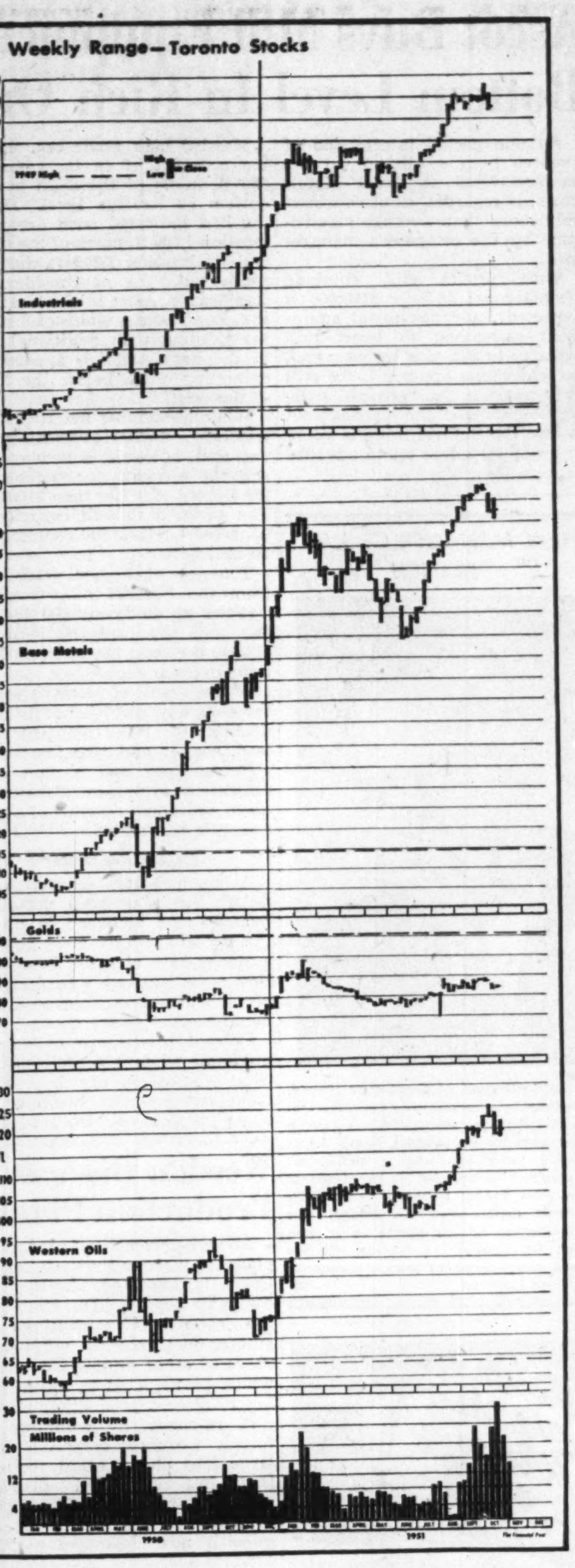
ROSS WHITTALL LTD. (Vancouver)

Foreign currency, specially American, seeks refuge in our greater financial security and in our immense growth prospects thus providing a huge and increasing inflationary investment here. This, in turn, financing as it does vast industrial expansion, places an enormous strain on our labor supply, i.e.,—it is creating a national over-investment. Incidentally this represents yet another reason why "Stocks look Higher" to us.

• • •



New Highs and Lows

During the week ended Oct. 26, 18 new highs were recorded among the general stocks on Canadian stock exchanges and 30 new lows. In the mining group there were 10 new highs and 16 new lows. In the western oil group there were four new highs and two new lows.

GENERAL

New Highs—1951

Cdn. Gen. Invest.
Cent. Can. Loan
Coll. Terminal
Do. pref.
David & Frere B
Dom. Struct. Stl.
Dryden Paper
Hillcrest Coll.
Gt. Lakes Pap. new
Empire Life new
Inter. Coal & Co.
McCabe B
Morrison Brass
Natl. Sewer Pipe
Reitman's
Sup. Pete. com. n.
United Steel
Waterous Ltd. A

New Lows—1951

Abitibi
Acadia Atlan. 5% pref.
Alum. rights
Can. Cottons pfd.
Can. Food Prod. pf.
Can. Tire
Consumers Glass
Empire Life new
Fanny Farmer
Halifax Insurance
How. Smith pref.
Imperial Life
Imperial Tobacco
Indust. Accept. 5% pref.
Lang, J. A.
Mod. Contain. A
Molson's Brew. B
Orange Crush
Paton Mfg.
Powell River new
South. Can. Pwr.
Stand. Clay
Stan. Brock A
Stovel Press pref.
Sup. Pete. ord. new
Victoria & Grey
Vir. Dare 5% pref.
West. Grocers A
Weston, George
Zeller's 6% pref.

MINING

New Highs—1951

Cons. Rochette
East. Sullivan
Graham Bousquet
Gunnar Gold
Hoyle
McGillivray Coal
New Mosher L. L.
Northern Canada
Silanco
Sullivan Cons.

New Lows—1951

Arnora
Chesterville
Citralartic
Crestaurum
Donalda
Jaculet
Kirk. Townsite
Klondike-Keno
Lake Dufault
Malartic Gold
Mayo*Mines
New Ryan Lake
Un. Lead & Zinc
Wingait

OILS

New Highs—1951

Britalta
Commoil
Kroy Oils
Mill City

New Lows—1951

Dome
Petrol Incomes

US Tax Change To Aid Invest.

U.S. corporations owning less than controlling interest but more than 10% in companies outside the United States can now claim foreign tax credit in their U.S. return as a result of new U.S. tax legislation.

Real objective of the amendments is to reduce or eliminate double taxation of income from foreign sources and so stimulate investment in foreign countries. It could add to the flow of U.S. capital to Canada.

Until now only U.S. domestic corporations owning a majority of voting stock of foreign corporations were permitted to claim tax credit for income taxes paid to a foreign Government on profits of the foreign corporation paid as dividends to an American corporation.

The new law extends the foreign tax credit to U.S. corporations which own 10% or more of the voting stock of the foreign corporation. The amendment applies to dividends received during the taxable years beginning on and after Jan. 1, 1951.

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

October 30, 1951

Public Utility Issues*	Int. Rate %	Due	Bid	Ask	Prev. Week Bid
▲Alg. Cen. H.B.R.	5	'59	139	144	138
Bell Telephone	3	'77	87	90	87½
Braz. Trac. L&P	4¾	'70	89	92	90
Do.	4½	'71	120	106	103
B. C. Electric	3½	'67	89	92	89½
Do.	3½	'75	88½	91½	88½
Do.	3¾	'69	93½	96½	93½
B. C. Tele.	4	'62	98	101	98
C.P.R.	3½	'70	127	132	127
Do.	3½	'66	107	110	105
Can. West Nat. Gas	3½	'71	90	93	90
East Kootenay	3¾	'67	85	91	84
‡Gatineau Pr. D	3½	'70	91	94	91
Gt. Lakes Pwr.	4½	'69	95	98	96
Int. Prov. Pipe Line	4	'70	...	355	370
L. St. Law. Pwr.	4½	'59	93	...	94
Maclaren-Quebec Power	3	'69	88	91	88
Mex. Lt. & Pr.	5	'75	77	90	77
Mtl. Trams. B	5	'55	99	102	99
Nat. Lt. & Pwr.	4½	'61	96	99	96
North. Que. Pr.	4½	'67	90	...	90
Power Corp.	3½	'67	89½	92½	89½
Quebec Power	3	'62	91½	94½	91½
St. Maurice Pr.	3½	'70	91	94	91
Shaw. W. & Pr.	3	'71	89	92	89
Do.	3½	'73	93½	96½	93½
Un. Fuel Invest.	4	'59	98	101	98
Wpg. Electric	3¾	'71	97	100	97
Industrial Issues:					
Abitibi Pr. & P.	3½	'67	95½	98½	95½
Do.	4½	'61	100	103	102
Acadia-Atlantic Sugar	3¾	'65	95	98	95
Alaska P. & Cell.	4½	'66	99	102	99
Aluminum Co.	3½	'74	94	97	94
Anglo-Can. Oil	4	'64	143	...	140
Barvue Mines	5	'56	113	118	113
Bowater's Nfld. P. & P.	3½	'68	94	97	94
B-A Oil	3½	'61	114	119	114
B. C. For. Prod.	4½	'66	95½	98½	95½
Brompton Pulp & Paper	3½	'66	92	...	92½
Burns & Co.	4	'63	97	100	97
Can. Steamship	3½	'57	96	...	97
Do.	4	'66	95	98	95
Can. Bread	4½	'67	95	98	95
Can. Brew.	4	'69	92	95	92
Can. Canners	3¾	'70	97	100	97
Can. Celanese	3	'62	92	95	92
Can. Oil	3½	'62	94	97	94
Can. West. Lum.	4	'62	98	101	98
Cockshutt Plow Co.	4½	'65	98	101	98
Columbia Cell.	5	'68	99	102	99
Consol. Paper	3½	'67	98½	101½	98½
Dom. Stl. & C.	4	'61	103	107	103
Dom. Tar & Ch.	3½	'70	92	95	92
Dom. Textile	4	'66	99	102	99
Do.	3½	'59	96	99	96
Dom. Woolens	5	'64	91	95	91
Dryden Paper	4	'65	96	99	96
E. B. Eddy	3½	'66	93	96	93
Elk Falls Co.	5	'75	96	100	96
Federal Grain	4	'64	95	98	95
Gen. Steel Wares	3½	'70	92	95	92
Gen. Pet. of Can.	4½	'65	111	115	113½
Gt. Lakes Paper	3½	'67	95	98	96
Gt. Plains Dev.	1-4	'65	135	...	140
Imp. Tobacco	3	'70	87	90	87
Imp. Oil	3	'69	91	94	91
Indust. Accept.	4	'70	91	94	91
Lake St. J. P.	5	'61	101	...	101
Maple L. M.	3¾	'63	94	97	94
Massey-Harris	3	'66	89	92	90
McColl-Fronten.	3	'71	86	89	87
Mecury Mills	4	'63	89	92	89
Mon. Knitting	4¾	'71	96	99	97
N. S. Steel Coal	3½	'63	91	94	92
Page-Hersey T.	3½	'65	91	94	92
Price Bros.	3½	'66	94	97	94
Silv. Dairies	4	'60-64	94	97	94
Do.	4	'71	87	91	87
Simpsons Ltd.	3½	'60	96½	99½	96½
Steel Co. of Can.	2¾	'67	88	91	88
Supert. Pete. C.	4	'70	105	110	105
Traders Fin.	4	'64	96	99	96
Trans Emp. Oil	5	'66	103	...	103
United Corp.	4	'58	98	101	98
United Steel	4	'60	95	98	95
Un. Gr. Growers	3¾	'70	90	93	90
West. Can. Brew.	5	'67	100	103	100
*Western Grain	5	'63	100	103	100
York Knit. Mills	3½	'71	82	86	82

*Payable in Canada, U.S. or U.K.
▲Payable in Canada or U.K.
‡Payable in Canada only.

Unlisted Mines, Oils

(By the Broker-Dealer's Assoc. of Ontario)

Approximate quotations, 3 p.m., Oct. 29, subject to confirmation and change. An asterisk (*) indicates an increase in price, a dagger (†) a decrease in price.

	Bid	Ask		Bid	Ask
Abenakis	2	3	McManus	3	5
Advance	3	4	Metalore	8	10
Alexander	2½	3½	Miles RL	2½	3½
Ama Kir	3½	4½	Mindus	50	55
Amax	85	100	Mink	1	2
Anna'que	†3½	4½	Mt Keno	42	45
Arctic	5	7	Mohawk P	1	2
Argonaut	1½	2½	Mistassini	3	5
Ava	..	3	Murmac	4	6
Barber N	2	4	Nat New	4	6
Bar Man	..	14	Nesbit L	135	145
Beacon	14	18	N Rdwood	12	15
Beaulieu	1½	3	New Aug	4	6
Beauriv	1	2	Newcor	3	4
Bi Ore	7½	9	New Mal	5	7
Bireco	4	6	N Walcro	..	14
Blondor	2	3	Nickel L	9	11
B McDade	8	10	Nickel O	300	400
Bour C	5	7	Norbeau	75	85
Bouzanne	5	6	Norbec	10	14
Braminco	10	15	Norcourt	3	4½
Bright RL	1½	2½	Norford	1½	2½
Burley Po	1	3	Normar	2	3
Camlaren	3½	5	Novele P	3	4
Camray	4	5	Obalski O	3	5
Captain	4	6	do '45	†27	29
Cassidy	1½	2½	Oklend	5½	7
Cent Man	8	10	Olivet	†½	1½
Cock RL	1	3	Orofino	10	12
Columbier	2½	3	Ortona	5	7
Comstock	33	36	Opemisk	*135	140
Con Chib	14	17	Parquet	..	15
Con Cop	18	20	Pascalis	10	12
Conecho	15	20	Payne	8	10
Craibbe	5	7	Pelangio	2½	3½
Croydon	2	4	Phelps	1	2
Cuyuni N	6	9	Presdor	1½	2½
Derlak	2	3	Privateer	†9	11
De Sant	2½	3½	Quejo	6	8
Doris	2½	3½	Quyta	5	7
Dunvegan	12	14	Que SR	12	15
Durham	6	8	Quest	1½	3
E Lund	3	5	Rainville	†44	48
Echo Ind	2	3	Rand M	5	7
E Bonanza	7	9	Randona	2	3
Elmac	3	4	Redruth	2	3
Erin Kirk	1½	2½	Redwood	4½	6
Flicka	2½	3½	Rhyolite	3	4
Forty For	100	110	Richgroup	7	9
Gan Cop	†9	10	Russet	5	7
Glencona	4	5	Salm Co.	86	89
G'maque	10	12	Santiag N	15	20
Gldfld U	82	85	S Dufault	3	4
Golpac	5	10	Sepha	1	1½
Gov Gold	2	4	Sheldon	†9	11
Grd Chib	†220	250	Silv Arr	3	5
Greenlee	5	7	Slvr Lake	7	10
Habitant	8	9	Skynner	2	4
Halden	2	4	Snow L	3½	5
Harker	3½	4½	Starlight	†2	2½
Hornfault	8	10	Sunbear	2½	3½
Indepen	*70	75	Tobico	1	2
Insco	12	15	Vauz Duf	10	12
Isle Pinn	13	16	Vinray	2	4
Jerome	17	21	Viking	14	16
Jonsmith	20	24	West RL	1	2
Kamlac	11	14	Wildore	4	5
Ken Bay	5	7	Y David	16	18
Kenda Pe	5	7	Yelknife	375	..
Kenogami	2	4	do vt	340	..
Kirk GG	1	2	**OILS**		
Lar Addan	†2	4	Can Sup	15½	16½
LaSalle	3	4	Crusader	..	7
Lassie	3½	5	Fargo	*48	52
Le Pine	4	6	Franco	75	80
Lennie	1	2	Gas Ex	†105	115
Lk Expan	4	5	Husky	*9½	10½
Lower Can	1½	2½	Jet	*45	48
Lun Echo	7	10	Lingnora	*3½	5
Mallen RL	4	6	Major Oil	†3½	7
Mar Bird	2½	4	N Ranch	8½	9½
Mary Ann	3½	4½	P Oil Ref	25	35
Marquette	2½	4	Paige P	30	40
Mat Con	†25	35	Vermilion	†27	30
Mate Yel	†4½	6	Westlock	†22	25
McCuaig	2½	3½	Grdo lkYlnK		

Commodities

	Latest week	Pre-vious week	Same week last yr.
Cattle	$33.67	$33.91	$26.95
Hogs	29.10	29.10	29.10
Copper, lb.	.24½	.24½	.24½
Sugar, raw, lb. ..	.0541	.0543	.0575
Coffee, lb.	.54⅜	.54	.52
Hides	.30	.30½	.33
Weekly Indices			
U. S. Labor	177.7	177.4	168.9
Dow Jones	187.35	185.44	182.65
Fisher's	184.3	184.1	175.0
Monthly Indices			
Retail (Sept.)† ...	189.8	188.9	169.8
W'sale (Aug.)† ...	241.5	244.2	215.7
U. S. (July)	179.5	181.8	162.9
Gt. Brit. (July) ...	320.1	321.0	258.8

Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price of quotations is as follows: Cattle — Steers, good, up to 1,000 lb. top price. Toronto Copper-electrolyte. New York. Coffee No. 4 Santos. Spot Raw Sugar 96 degrees centrifugal c.i.f. New York.

Municipal Bonds

Oct. 30, 1951

	Coup. %	Matur.	Bid $	Ask $	Yld %
Victoria ...	3¾	'69	87	89	4.68
Vancouver .	3¾	'69	89	91	4.49
Calgary	3½	'69	87	90	4.32
Edmonton .	3½	'69	86½	88½	4.43
Regina	3	'64	85	87½	4.25
Moose Jaw	3-3½	'69	90½	92½	4.25
Winnipeg ..	3	'69	86⅝	88⅝	3.90
Ottawa	3¼	'68	92	94	3.75
Toronto ...	3	'68	88⅝	90⅝	3.75
Hamilton ..	3	'67	87	89½	3.90
Windsor ...	2½	'75	63	65	5.00
Windsor ...	2¾	'75	66⅝	68⅝	5.00
Windsor ...	3½	'75	77¼	79¼	5.00
Montreal ...	3	'70	85	87	3.97
Quebec	3½	'64	88	90¼	4.50
Halifax	3½	'66	88	90¼	4.40
Saint John .	3½	'65	86	88¼	4.65

Investment Trusts

	Bid	Ask
Affiliated Funds	4.60	4.97
Balanced Funds	17.01	18.69
Can. Invest. Fund	6.30	6.90
Corporate Invest.	5.88	6.36
Commonwealth Int.	5.35	5.88
Investors Mutual	6.49	7.02
Leverage Fund	3.97	4.36
Mut. A Funds	13.44	14.44
Resources of Can.	6.34	6.97
Timed Invest.	4.55	5.00
Trans-Canada	20.45	....
Do. B	19.75	....
Do. C	4.10	4.40

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MINDA-SCOTIA MINES has received payment covering the Oct. 20 underwriting installment, comprising 25,000 shares at 75c a share, under agreement with Glengowan Mines & Management. Issued capital is 2,000,005 shares, leaving 999,995 shares in the treasury.

". . . Shares in the Future of Canada."

". . . You have a part to play in helping your country fight inflation, whether you are selling Canada Savings Bonds or new issues of corporate securities which serve to finance essential capital development. When you are selling your issues of stocks or bonds whether to Canadians or to those in other countries who wish to invest here, you are in effect selling shares in the future of Canada. Never forget that as a nation we have come a long way because of the faith of our forefathers in the future. Our continued progress will depend on the willingness of this generation to show the same kind of faith."

From an address by the Honourable Douglas C. Abbott, Minister of Finance, to the Junior Investment Dealers Association, Toronto, October 22nd, 1951.

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PREMIUM PETROLEUMS LIMITED (N.P.L.)

Incorporated June 16th, 1951, under the Companies Act of the Province of British Columbia
Officers and Directors

Major Oscar L. Erickson, O.B.E., M.C., President, Vancouver, B.C.
Nathaniel J. Blair, B.Sc., M.D., Vice-President, Vancouver, B.C.
C. M. Vick, Secretary and Director, Vancouver, B.C.
Wm. D. Layton, Managing Director, Vancouver, B.C.
Russell M. Robertson, Director, Lloydminster, Alta.

Company Plans: To drill out a Company lease favourably located in the centre of recent development in the Dina area on the Alberta side of the Lloydminster Oil Field, Fourth largest in Canada.

In digest form Mr. R. M. Coons, Geologist and Petroleum Engineer reported as follows under date of January 17, 1951: "From evidence of two wells drilled (and producing) on the lease and wells on land immediately adjoining to the East, it is considered that 500 acres is proven land on which approximately 30 wells can be drilled. Mr. Coons estimates Recoverable Oil Reserves at 5,000 barrels per acre of proven land (note: 2½ million bbls.). He also recommends exploration below present producing horizon in the Lower Cretaceous and a deep test in the underlying Devonian Lime with a view to possible increase of present proven reserves. He also points out the asset value of known gas reserves on the property and notes favorable location of the lease for transportation, markets, etc.

To Venture Capital: We offer, subject to prior sale, 75,000 Shares of Initial Subscription Stock at 15c per share net to Treasury. Proceeds, with other funds on hand to be used for immediate start of our drilling program.

Minimum application 1,000 shares.

Prospectus will be furnished to every person who subscribes or applies for shares. Company supervision is under direction of men with many years of general business, and four years of operational and field experience in the area outlined.

ORDER FORM FOR YOUR CONVENIENCE

To: Premium Petroleums Limited,
Suite 316, 525 Seymour Street,
Vancouver 2, B.C., Canada.

Please enter my order for .... Shares of Initial Subscription Stock in your Company at 15c per share. My cheque (or money order) for $................ is attached herewith. It is agreed that I will accept all or part of this order. (Minimum application 1,000 shares).

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CITY ....
S20 PHONE NUMBER ....

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Strong but soft, Pliofilm protects hosiery against profit-robbing "catches" and "snags". (Pliofilm *can't* break, crack or tear—gives *permanent* protection.)

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Because it prints beautifully, Pliofilm Hosiery Packs allow you to present a distinctive sales story that's colourful and eye-catching on *any* sales counter.

And customers really appreciate the re-use value of Pliofilm Hosiery Packs. (Women are spreading the word about neat, pretty, oh-so-handy Pliofilm Hosiery Packs—the ideal place to keep hosiery safe and laundry-fresh between wearings.)

Pliofilm Hosiery Packs can help increase your sales by giving your product these and other advantages. Investigate Pliofilm today!

Send for free descriptive booklet "Plain Facts About Pliofilm" from: Special Products Division, The Goodyear Tire & Rubber Company of Canada Ltd., New Toronto.

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Ascot Buys Mill Equipment Bottom Level In Rich Ore

An unexpected intersection of massive high grade ore in the haulage level at Ascot Metals Corp., is regarded as of considerably more than average significance by the company's management.

With profits still climbing (October net of over $100,000 is expected), and additional equipment purchased to boost mill capacity to 525 tons by year end, the enterprise appears to be still very much in the "growth" category. Feeling of the management is that the Suffield mine is going to more than live up to advance expectations.

Massive high grade ore, showing a width of 16 ft., came in 500 ft. north of the shaft at the bottom or haulage level. Drilling had indicated such ore at a location 1,800 ft. north of the shaft and its location 1,300 ft. further south could be of considerable significance. After initial location, the ore showed a width of 6 ft. in the heading with additional ore in the back and ore apparently extending down below the floor of the drift.

While September net at $77,900 was below earlier expectations it was still, however, a new record and the estimate for October is for a profit of better than $100,000. The addition to mill capacity is expected to allow the company to do still better.

Tonnage of higher grade ore from the Suffield mine can be stepped up to about 400 tons a day and the company will be able to continue the Moulton Hill mine in production.

As the result of research work, the company may change to production of three concentrates, lead, copper and zinc instead of a lead-copper and a zinc concentrate as at present. This could mean additional revenue of $8,000 a month, it is stated.

Extraction Better

A much better extraction of metals has now been achieved. Present zinc recovery is up to 85% (tails are 0.2% zinc) against a low of 54% recovery last year. Test work suggests a further improvement can be achieved. Other metal recoveries are good.

Present profits are rather remarkable when it is realized that 90% of Suffield ore is coming from development headings or stope preparation. On a regular mining basis, profits can be expected to be higher. About 200 tons daily of Suffield ore has been going to the mill and this was to be stepped up to 250-275 tons daily the end of October.

The Suffield haulage level has a length of 825 to 850 ft. while the sub-level has been opened for a length of 500 ft. (all in ore). Original drill work had indicated the first level ore body to be flat-lying but more recent work has shown dip and structure similar to those elsewhere. Two raises driven from the second level for use as ore passes have been in continuous ore.

NEW MANAGER OF I.A.C. BRANCH

Industrial Acceptance Corporation Limited, Montreal, announces the appointment of E. H. Hodges as Manager of its Toronto East branch. Mr. Hodges joined I.A.C. twenty years ago and is well-known throughout Canada for his knowledge of the sales finance business. Prior to his present appointment, Mr. Hodges was Manager of I.A.C.'s branch in London, Ont. He succeeds J. L. Warren, who has been named Regional Sales Manager for Western Canada. *

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B

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Quemont to Make Initial Payment

An initial dividend of $1 a share has been declared by Quemont Mining Corp., payable Dec. 28, 1951, to shareholders of record Nov. 30. Shares will sell ex-dividend on the Toronto Stock Exchange Nov. 29.

Earnings in the September quarter had amounted to $1,528,100 or an annual rate of $2.91 a share before taxes (from which the company is exempt until Dec. 20, 1952). All advances from Mining Corp. of Canada had been repaid by mid-1951.

Mining Corp. of Canada will receive $1,096,728 from the distribution which will be equal to approximately 50 cents a M. C. share as Mining Corp. has 2,134,807 of its shares outstanding. Mining Corp. has also declared a dividend of 70 cents a share payable Dec. 29 to shareholders of record Nov. 30 and ex-dividend Nov. 29. This brings Mining Corp. 1951 distributions to $1 a share, 30 cents a share having been paid earlier.

Weedon Discusses Production Plans

An announcement of production plans for Weedon Pyrite & Copper Corp. is expected shortly, the company reports. Directors and the company's consulting engineers met recently with engineers of other mining companies which participated in the financing to discuss production plans.

A re-check by sampling of former workings embracing one large lens and a small footwall lens has confirmed previous sampling, it is stated. Milling ore in place in this section of the mine is now estimated at 257,120 tons averaging 34.8% sulphur, 2.9% copper and 1.05% zinc.

A considerable tonnage of new ore averaging 3% copper and 2% zinc has been indicated by diamond drilling from the 6th level and drifting on the 4th level. Sulphur content is expected to be high.

Development is being continued with crosscutting to the footwall planned at the 8th level. Drifting on the main lens is already under way.

In preparation for production, a resurvey is to be made of the entire mine area both at surface and underground.

Gay River Lead Cuts Ore Section

A diamond drill intersection of 10 ft. with a combined lead-zinc value of 9.20% is reported by Gay River Lead Mines in testing its Brookfield, N.S., lead-zinc property 40 miles north of Halifax. The section was contained within a section which gave a combined lead and zinc content of over 5% across a total width of 21 ft.

These values are stated to be in hole which was the first to find lead under a "barren rock cover." Lead and zinc mineralization is stated to be present in outcrops along a strike length of 2,000 ft. The new ore section, termed the best yet found, is considered of special interest because it is away from the outcropping. Zinc across 22 ft. was found in the next diamond drill hole.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

HIGHWOOD-SARCEE OILS reports that since the last annual meeting Leduc Calmar Wells No. 3, 4 and 5 were brought into production, the company's interest being 10% in each well.

While operating loss was about $3,500, shareholders' equity increased, report points out. Market value of Royalite Oil shares held had risen by about $18,000 since June 30.

Annual meeting is Oct. 31.

CONS. INCOME ACCOUNT

Years Ended June 30:	1951	1950
Inc. from wells	$9,531	$23
Prof. on asset sale	3,004	5,569
Other income	2,428	3,274
Total income	14,963	8,866
Less: Other exps.	12,394	10,997
Depreciation	37	37
Depletion	2,815	......
Amort.	......	769
Interest	1,500	275
Loss on assets	......	122
Sh. op., loss wells	1,499	84
Net loss & deficit	3,482	3,418

CONDENSED CONS. BALANCE SHEET

As at June 30:	1951	1950
Cash & Dom. bds.	$11,571	$8,074
Accts., etc., rec.	2,575	3,098
Mkt. sec. (at M.V.)	91,280	82,900
Guar. dep. with govt.	2,500	......
Inventory	200	200
Total curr. assets	108,126	94,272
Def., prep. chgs.‡	3,081	1,149
Advs. & invests.	55,479	52,096
Land & leases	303,392	302,762
Furn., fixt., less dep.	329	331
Devel. exp.	131,108	87,496
Total assets	601,515	538,106
Bank loan (sec.)	51,500	13,500
Accts. & tax. pay.	9,364	1,114
Other curr. liabs.	1,223	1,223
Total curr. liab.	62,087	15,837
Tax reserve	2,625	2,625
Capital stock	489,648	488,544
Capital surplus	135,766	120,416
Less: Deficit	88,609	89,318
Working capital	46,039	78,435

‡Incl. in curr. assets in co's report.

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Chromium Profits Jump Last Few Months Expansion Program in U.S. Under Way

A further marked increase in net profits has been realized by Chromium Mining & Smelting Corp. in 1951 with a substantial expansion of plant facilities under way in the U. S., President Leo R. Timmins informed shareholders at the company's annual meeting this week.

Combined net profit of the company and its subsidiaries before taxes, but after setting up a reserve for depreciation of $230,103 for the five months ended Sept. 30, 1951, amounted to $552,953.

Consolidated net profit for the year ended April 30, 1951, had been reported at $275,565.

Ground was broken on Oct. 15 for a new two-furnace smelter at Woodstock, Tennessee, near Memphis, with an expenditure of $1 million planned.

Practically all the equipment and material necessary for construction has been purchased or orders placed for early delivery.

"We have been assured of the necessary priority, and we are making application for accelerated amortization," Mr. Timmins declared.

"We hope to have the smelter in operation by the beginning of 1952. A favorable power contract has been negotiated with the Memphis Light, Gas & Water Division, Memphis . . .

"Imported raw materials can be moved by barge from New Orleans to the new smelter, and its products can be shipped by barge to the steel centres of either Chicago or Pittsburgh . . . It is estimated that the smelter will prove our lowest cost producer."

The finishing plant at Chicago is being expanded to handle this increased production, and the additional facilities at that point will be ready for production this fall.

Montana Ferroalloys Inc., a fully owned subsidiary of Chromium Mining & Smelting Corp. (N. Y.) has been incorporated under the laws of Delaware and will be the vehicle used to carry on this southern operation. Chromium M. & S. is stated to have been the only ferroalloy producer on this continent that has "consistently and continuously" used sub-metallurgical grades of chromite ores similar to those which were mined in the State of Montana during World War II. It is to the credit of the company's metallurgists and operators that they alone were able to utilize the sub-metallurgical grade of chromite without blending with high grade ores or without beneficiation, Mr. Timmins declared.

The company plans to recapitalize the American subsidiary, Chromium Mining & Smelting Corp. The management hopes to finalize details of the plan in the near future and to make it effective prior to the end of 1951.

OIL PRODUCTION

Oil Output, Revenues to Fall With Winter Cut in Demand

From Our Own Correspondent

CALGARY—Oil buyers nominated for lower production in November in Alberta. The drop, by 13,760 bbl. to 136,710 daily average, is a result of a seasonal drop in demands for oil products.

Imperial Oil asked for 98,210 bbl. daily, 51,330 bbl. of it for delivery at Superior, Wis. British American Oil asked for 19,890 bbl. daily; Hiway Refineries, for 2,900 bbl. daily; McColl-Frontenac, for 2,500 bbl. daily.

Crude oil production was 141,676 bbl. daily average in week ended Oct. 22, a drop of 34,751 bbl. daily from the week before. Output will be even lower for the following week, as it is cut back to fit inside the monthly market allowable.

Redwater field produced 60,858 bbl. daily from 894 wells (down from 93,140 bbl.); Leduc-Woodbend, 48,770 bbl. from 754 wells (52,129); Turner Valley, 8,455 bbl. from 329 wells (8,659); Acheson-Stony Plain, 6,642 bbl. from 44 wells (5,366); Joseph Lake 2,834 bbl., from 66 wells (2,895); Golden Spike, 2,589 bbl. from nine wells (2,569); Lloydminster, 2,510 bbl. from 211 wells, (3,245); Excelsior 2,346 bbl. from 32 wells (2,424); Stettler, 1,666 bbl. from 39 wells (1,513).

An all-time high was reached by heavy crude oil deliveries in September from the Lloydminster region, in Alberta and Saskatchewan. Deliveries reached 8,358 bbl. daily average from 323 producing wells.

Increased markets made the increase; production was 53% higher than same month last year. The Lloydminster region has produced 8.7 million bbl. since 1926 when production started.

* * *

See Big Virden Output

The Province of Manitoba is on the records as an oil producer.

Natural Resources Minister J. S. McDiarmid received his first cheque for oil royalties, $841.26 remitted by California Standard Oil for 12½% of oil sales from two wells 10 miles southwest of Virden.

Most of the oil, valued at nearly $7,000, was recovered in September.

Mr. McDiarmid forecast Manitoba would be getting much bigger cheques. He based his prediction on the opinion of oil men that the recoveries thus far indicated that oil was present in larger quantities and that it was only a question of time till it was found.

* * *

Steveville Play

Five Canadian independants are launching a six-well drilling program on 55,000 acres in the Steveville area of southern Alberta. On a farm-out from Sweetgrass Oils, Matlo Oils and Maygill Petroleums, which struck gas at Steveville some time ago, the wells will be drilled at the expense of the five firms. They will get the following shares in any production: Cardinal Oil, 20%; Gas Exploration Co. of Alberta, 10%; Sapphire Petroleums, 10%; Sentry and Candoo Oils, each 5%.

Sweetgrass will share 25%; Matlo 12½%; Maygill 12½%.

The two teams will split 50-50 the cost of further wells. Operations have begun on the first well, three miles southeast of the discovery well.

Sweetgrass-Matlo-Maygill team has an additional 9,000 acres around the discovery.

* * *

Sequel to Armena Strike

The Bronfman interests have paid $272,000 to North Canadian Oils to cover 40% of one million shares they optioned more than a year ago. They converted the $404,000 balance of the option into a firm commitment. North Canadian is seeking listing of its shares on New York Curb.

North Canadian has a 50% interest in the first three wells drilled in the new Armena oil field. (Western Homestead, 45%; Petcal, 5%).

* * *

Drill Next Montana

Fargo Oils and associates began preparations to drill on 1,600 acres of oil and gas lands in the Aden-Mill River area in southeast Alberta. The lands are on the Montana border.

* * *

Imperial Into Hay River

Imperial Oil is taking out exploration permits on more than two million acres of Alberta government oil and gas rights in the Hay Lake-Hay River area. This area is in the northwest of the province, near the B.C. border.

Imperial now has more than 10.5 million acres of Crown holdings in the province.

NEW RYAN LAKE MINES has received payment covering the entire underwriting on 200,000 shares at 25c a share, under agreement with Harold Kay. Issued capital is 1,811,103 shares, leaving 1,688,897 shares in the treasury.

NEW NORZONE MINES reports Noront Securities has underwritten a million shares at 12c a share, subject to shareholders' approval and issue of supplementary letters patent.

54 ft. of Copper In Lyndhurst Hole

An intersection of 54 ft. of core averaging 3.5% copper is reported by Lyndhurst Mining Co. in diamond drilling its 88-claim property in Destor and Poularies twps., Duparquet area, Northern Quebec. True width is reported at 48 ft.

Previously, a drill hole 25 ft. to the south returned 25 ft. of width averaging 1.5% copper while a drill hole 75 ft. to the south cut 1.75% copper values.

The company has laid out a further drilling program to establish length of the ore occurrence and to test it at deeper horizons.

Shares of the company took a sharp rise to 36 cents on Tuesday against a price of 15 cents at the beginning of the week.

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Anacon Expects Best Profit Yet During October

With both lead and zinc heads sharply higher, production and earnings of Anacon Lead Mines for October are expected to exceed all previous records by a substantial margin. In the previous record month of August, a profit of $137,455 was realized after all charges except depreciation.

Production from the higher grade new shaft ore body is still being derived chiefly from the lower grade margins with the best grade ore yet to come. Drilling indicates excellent ore between the seventh and eighth levels.

After writing off $85,855 of depreciation, a net profit of $729,007 was realized in the first nine months of this year. At the beginning of October, current assets were somewhat higher than a million dollars including Montauban shares at book value which was far below market value. Current liabilities were about $700.

Preparations are being made for installation of the sink-float plant which is expected to increase capacity materially. The mill is currently handling about 616 tons daily.

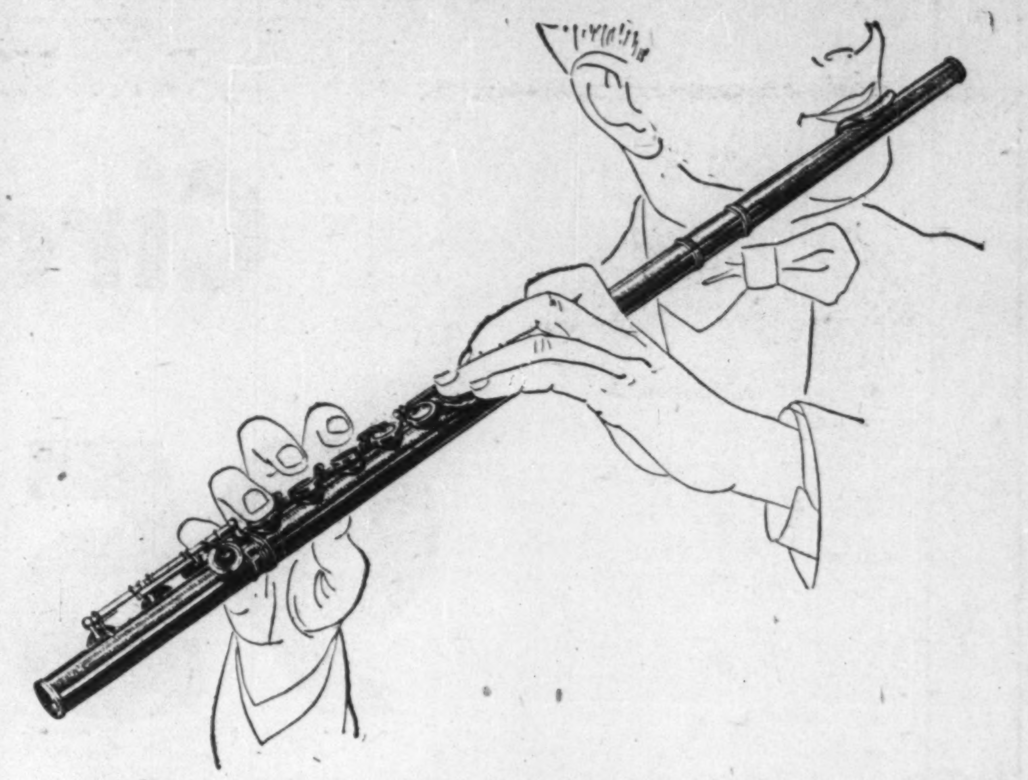
Charlebois Lake Area Geological Report Out

A report on Geology of the Charlebois Lake Area by Dr. J. B. Mawdsley, head of the geological department, University of Saskatchewan, is now being distributed by the Saskatchewan Department of Natural Resources.

It is based on the field work conducted by Dr. Mawdsley and a survey party during the summer of 1950.

The Charlebois Lake area, covered by the report, is Saskatchewan's newest uranium area and according to Dr. Mawdsley, chances of commercial development of the field are "excellent."

This is the first of a series of three reports on the Charlebois Lake area which are to be prepared from surveys conducted by Dr. Mawdsley. The report deals with the general geology of the field and describes in detail the various deposits of uranium found by several mining companies operating around Charlebois Lake.



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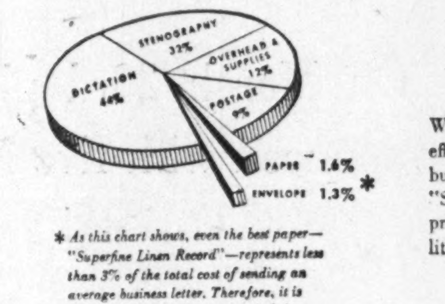

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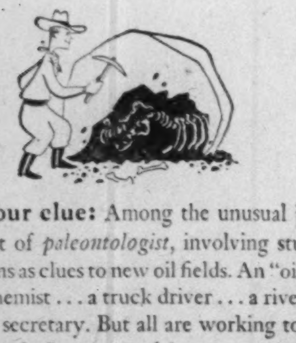
What is an "oil man"?

1152 different kinds of jobs are required at Shell to supply you with the petroleum products you need—when and where you need them.

A wall, a tree, a rope, sums up the story of three blind Hindus who tried to "see" an elephant by touch. One felt its side, and said "A wall." One touched a leg and said, "A tree"... and one thought its tail a rope. Most of us, touching petroleum at a few spots, have only a limited picture of an "oil man."

Go as high as you like — Among Shell's oil men are pilots who inspect pipelines quickly and efficiently from the air. They, like Shell accountants, machinists, salesmen, clerks, are encouraged to study the job "just ahead," and be ready to advance to better positions when opportunity comes.



Here's your clue: Among the unusual jobs at Shell is that of *paleontologist*, involving study of fossil remains as clues to new oil fields. An "oil man" may be a chemist . . . a truck driver . . . a riveter . . . or a pretty secretary. But all are working to make the energy of oil more useful to more and more people.

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Starting January 1952

On March 23rd plans for WEEKEND PICTURE MAGAZINE were announced with five Member Newspapers and a projected circulation of 775,000

On July 5th new advertising rates for the first half of 1952 were issued based on a circulation of 868,000 with nine Member Newspapers.

On September 8th WEEKEND PICTURE MAGAZINE was launched. Its circulation exceeded 900,000 — the largest of any publication in Canada.

On January 5th, 1952, the circulation of WEEKEND PICTURE MAGAZINE will exceed 950,000 with 16 Member Newspapers. The Evening Telegram, St. John's Newfoundland, is the latest newspaper to join the group.

The confidence of those Canadian advertisers who spent $630,000 in the first eight issues (Sept. 8 to Oct. 27) of WEEKEND has been justified by the phenomenal success of this new development in Canadian publishing.

*

Circulation by Provinces

British Columbia	189,000
Alberta	14,000
Saskatchewan	24,000
Manitoba	13,000
Ontario	395,000
Quebec	195,000
New Brunswick	70,000
Nova Scotia	33,000
Prince Edward Island	3,000
Newfoundland	14,000
Total	950,000

Member Newspapers

The Vancouver Sun

Prince Albert Daily Herald

Moose Jaw Times-Herald

The News Chronicle (Port Arthur)

The Daily Press (Timmins)

Kirkland Lake Northern Daily News

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The Telegram (Toronto)

Peterborough Examiner

The Kingston Whig-Standard

The Montreal Star

The Quebec Chronicle-Telegraph

The Telegraph-Journal and Evening Times-Globe (Saint John)

The Times and Transcript (Moncton)

The Evening Telegram (St. John's, Nfld.)

The Standard

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